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Dear Christina,

I wrote to you on 9<sup>th</sup> August last year with a summary of the Scottish Government's EU engagement in Brussels during the Latvian Presidency of the EU in the first half of 2015. I would now like to provide the Committee with an updated report of our Brussels-based engagement over the period of the subsequent Luxembourg Presidency of the EU, which ran from 1<sup>st</sup> July to 31<sup>st</sup> December 2015.

The attached update describes the key activity across the main institutions in Brussels – the Council of Ministers, European Commission and the European Parliament. It also covers wider stakeholder engagement as part of Scotland's on-going presence in Brussels that takes place out-with the structure of the formal institutions.

I hope this update is helpful to the Committee in informing its work prior to the end of session.

Best Wishes,  
H. Yousaf  
HUMZA YOUSAF

## Scottish Government's Brussels-based engagement during the period of the Luxembourg Presidency of the Council of the European Union – July-December 2015

### Scotland's Action Plan for EU Engagement

In the Scottish Government's Programme for Government 2014-2015 there was a commitment to develop an Action Plan for EU Engagement (<http://www.gov.scot/Topics/International/Europe>) to set out the Scottish Government's aim of protecting Scotland's place in the EU and promoting a vision of securing a strong and positive Scottish influence on key areas of EU policy of interest to Scotland. This was published on 27<sup>th</sup> March 2015.

The Action Plan is underpinned by, and interlinked with, Scotland's Economic Strategy, supporting the four priorities of Investment, Innovation, Inclusive Growth and International Outlook. In parallel with Scotland's International Framework, published on 25<sup>th</sup> March, the Action Plan further supports the government's economic goals of increasing competitiveness and tackling inequality.

The Plan is structured around four key areas to bring focus and purpose to the Scottish Government's EU activity:

- **Being a committed partner** – we will remain a committed European actor, making the case for our place in Europe, and working to enhance Scotland's voice;
- **EU Reform** – we will promote effective and meaningful EU reform within the framework of the existing EU treaties for the benefit of Scotland and the entire territory of the EU;
- **Active participation** – we will work to secure investment, innovation and inclusive growth in support of Scotland's Economic Strategy;
- **Strengthening partnerships** – we will strengthen our relationships with European partners to develop and deliver mutually beneficial outcomes, policies and programmes, in pursuit of our objectives

All of the engagement included in this update relates either wholly or in part to each of these key areas.

The online content of the Action Plan has been periodically updated with current material on EU activity. Recent examples include Ministerial visits to Italy, France and Ireland (as well as Brussels) and Scottish participation in EU programmes. Information on these and other examples are available at: <http://www.gov.scot/Topics/International/Europe/Case-Studies>

Complimentary to the Action Plan the collaborative Scottish EU Funding Portal continues to provide free information about opportunities from the EU Programmes. It also helps to find partners to work on EU projects and acts as a resource to explore the types of EU projects Scottish organisations are currently involved in delivering. The portal is a partnership between Scotland Europa, the Scottish Government, East of Scotland European Consortium and West of Scotland



European Forum. Further details are available online at <http://www.funding-portal.eu/>.

## **Luxembourg Presidency of the Council of the European Union**

Luxembourg was the last in the previous trio of Presidencies, following Italy and Latvia. Their headline focus was to contribute to delivering a 'Union for the citizens', around which seven priority areas were identified:

- Stimulating investment to boost growth and employment
- Deepening the European Union's social dimension
- Managing migration, combining freedom, justice and security
- Revitalising the single market by focusing on its digital dimension
- Placing European competitiveness in a global and transparent framework
- Promoting sustainable development
- Strengthening the European Union's presence on the global stage

As with previous Presidencies, Luxembourg had to deal with the distraction of shock events happening in Europe, in particular the worsening refugee crisis throughout the second half of 2015 and the terror attacks in Paris on 13 November. These events required a reactive response to deal with emergency measures, resulting in several extra-ordinary Council meetings being called at short notice as the EU's borders and security came under sustained pressure.

In spite of these events however, Luxembourg completed its Presidency term on 31<sup>st</sup> December and has delivered its report to the institutions on achievements and other areas of progress. These include: agreement on the 2016 EU budget; reform of the Court of Justice of the EU; digital services (end of mobile roaming charges and open internet); and a European Passenger Names Record (PNR) system - only some of the 34 legislative files concluded under the co-decision procedure with the European Parliament.

During the Luxembourg Presidency there were also Council agreements in relation to tax, profit sharing and transport (elements of the 4<sup>th</sup> Railway Package) and presidency involvement in EU-US TTIP discussions (in relation on Investor State Dispute mechanisms) and the COP21 Climate Change agreement reached in Paris in December. The full Presidency report is available here: [http://www.eu2015lu.eu/en/actualites/communiqués/2015/12/31-bilan/Report-LU-EU-Council-Presidency\\_Final-EN-Version\\_18-January-2016.pdf](http://www.eu2015lu.eu/en/actualites/communiqués/2015/12/31-bilan/Report-LU-EU-Council-Presidency_Final-EN-Version_18-January-2016.pdf)

During the Luxembourg Presidency, the Scottish Government continued to deepen engagement across the institutions. We have also continued to widen and develop our networks in Brussels amongst other Member States and Regions, and with key stakeholders, guided by the principles of the Action Plan and the Scottish Government's economic objectives for sustainable growth.

In relation to direct engagement, Dr Aileen McLeod, Minister for Environment, Climate Change and Land Reform, met her Luxembourg counterpart, Environment Minister Carole Dieschbourg, during the Green Growth Summit held at the European Parliament on 17 September. The Brussels office also hosted colleagues from both

the Luxembourg and Latvian Presidencies (to cover all of 2015) at the annual Burns supper, which provides a valuable opportunity to build key networks while celebrating Scotland's culture and heritage at the same time.

### **Council of the European Union**

Throughout the Luxembourg Presidency Ministers have continued to attend and actively participate in Council meetings. Between July and December Ministers attended seven separate Councils. These covered Agriculture and Fisheries (Richard Lochhead and Dr Aileen McLeod); Justice and Home Affairs (Paul Wheelhouse); Environment (Dr Aileen McLeod); Education, Youth, Culture and Sport (Fiona Hyslop). The table below provides a summary.

<b>Date</b>	<b>Council</b>	<b>Minister</b>
07/09/2015	Agriculture and Fisheries	Richard Lochhead
14/09/2015	Justice and Home Affairs	Paul Wheelhouse
18/09/2015	Environment	Dr Aileen McLeod
16/11/2015	Agriculture and Fisheries	Dr Aileen McLeod
24/11/2015	EYCS (Culture)	Fiona Hyslop
03/12/2015	Justice and Home Affairs	Paul Wheelhouse
15-16/12/2015	Agriculture and Fisheries	Richard Lochhead

On 9 November the Scottish Government's Director of Economic Development attended an extraordinary Competitiveness Council as part of the UK delegation - arranged at short notice to discuss the issues facing the UK steel industry and the implications for Scottish jobs.

In the routine course of business Scottish Government officials continue to attend Council working groups in Brussels where they follow in detail the development of dossiers, engage with the UK lead officials and make connections with participants from other Member States.

### **European Commission**

The European Commission published its work programme for 2016 on 27<sup>th</sup> October. Presented as a 'compact' programme focusing on 23 key initiatives around the Juncker Commission's 10 political priorities, measures are focused predominantly in the areas of: environmental protection; social, skills and employment standards; energy security; economic (single market/circular economy/digital/tax); trade; and migration policy.

Scottish Government policy areas have examined the work programme and have identified a number of initiatives of interest that are aligned with Scotland's economic strategy for a more competitive and fairer Scotland. These include proposals for:

- a new Skills Agenda for Europe
- a new Start for Working Parents
- a Circular Economy Package
- the mid-term review of the Multiannual Financial Framework



- next steps for Sustainable European Future
- the Digital Single Market Strategy
- the Energy Union Package
- the Single Market Strategy
- a modern Trade and Investment Strategy

The Scottish Government also supports the continued emphasis on smarter regulation and will continue to engage and have an interest in actions under the Commission's REFIT agenda.

Every effort is made to broaden Scotland's engagement and constructive working relationship with the European Commission, at both Ministerial and officials level. Besides the regular flow of meetings between policy officials and Commission counterparts (including meetings at senior official level) Ministers have also held formal meetings with Commissioners and senior Commission officials in Brussels during the period 1<sup>st</sup> July to 31 December 2015. These cover:

<b>Date</b>	<b>Minister</b>	<b>Meeting</b>
01/07/2015	Keith Brown, Cabinet Secretary for Infrastructure, Investment and Cities	Mikel Landabaso, Head of Cabinet for Commissioner Cretu (Regional Policy)
21/09/2015	John Swinney, Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy	Commissioner Jonathan Hill (Financial Stability, Financial Services and Capital Markets Union)
21/09/2015	John Swinney, Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy	Commissioner Pierre Moscovici (Economic and Financial Affairs, Taxation and Customs)
05/10/2015	Angela Constance, Cabinet Secretary for Education and Lifelong Learning	Commissioner Tibor Navracsics (Education and Youth)
16/11/2015	Annabelle Ewing, Minister for Youth and Women's Employment	Elzbieta Bienkowska (Internal Market, Industry, Entrepreneurship and SMEs)

In addition to the above meetings Ministers also continue to take the opportunity to engage with Commissioners and their staff as part of other business, such as during Council of Ministers meetings and on shared platforms at events. This was the case at the Green Growth Summit on 17 September when Dr Aileen McLeod met briefly with Commissioner Miguel Arias Cañete (Energy and Climate Action) and at the December Agriculture and Fisheries Council when Richard Lochhead met with the Cabinet of Commissioner Karmenu Vella (Environment, Maritime Affairs and Fisheries).

There were no formal European Commissioner visits to Scotland during the period of the Luxembourg Presidency.

## **European Parliament**

The European Parliament (EP) has continued with its programme of legislative business through its plenary and committee structures, evidenced by the 34 files concluded during the Luxembourg Presidency, noted earlier in this paper.

Engagement with Members of the European Parliament (MEPs) and senior EP officials remains a key aspect of Scottish Government activity in Brussels, at both Ministerial and official level. Where possible Ministerial visit programmes aim to include EP engagement (subject to sitting weeks, availability and timings). This includes meetings with Scottish MEPs on a range of subjects – from Fisheries and Agriculture to Economic and Environmental issues. There is also engagement with MEPs from other EU countries where their parliamentary activities reflect Scotland's interests.

On 15 September Richard Lochhead, Cabinet Secretary for Rural Affairs, Food and the Environment, addressed a public hearing of the EP's Committee on Agriculture on the priorities of the Scottish Rural Development Programme. On 17 September Dr Aileen McLeod, Minister for Environment, Climate Change and Land Reform, participated in the Green Growth Summit that was held at the EP to discuss preparations for the December COP21 Climate Change negotiations in Paris.

At official level, engagement with MPs and EP officials continues on a regular basis as issues arise and when approaches are made to the Scottish Government for specific information.

Engagement with MEPs (Scottish and other) is also an important part of the cultural diplomacy work that takes place in Brussels through attendance at key events such as Burns and other themed and policy events. Unfortunately, due to the security lockdown in Brussels following the terror attacks in Paris in November the planned St Andrew's Day celebration, due to take place in Scotland House, was cancelled in light of security advice.

## **Other stakeholder engagement in Brussels**

Other notable Ministerial engagement activity in Brussels in the latter half of 2015 included speeches and panel events.

On 21 September the Deputy First Minister, John Swinney, delivered a speech to the Brussels based economic think tank Bruegel as part of his visit programme, which focused on the Scottish Government's inclusive growth agenda. On 22 October Fiona Hyslop, Cabinet Secretary for Culture, Europe and External Affairs, participated in a panel discussion hosted by the think tank Friends of Europe, which focused on measures to regain public trust in the EU. On 16 November Annabelle Ewing, Minister for Youth and Woman's Employment, spoke at a policy event (alongside Commissioner Bienkowska), co-hosted with Women's Enterprise Scotland, to highlight the collaborative approach Scotland has adopted to supporting women's entrepreneurship and tackling the gender gap in enterprise.



At official level stakeholder engagement continues throughout the year on a wide range of policy topics and cultural activities. This ranges from the on-going work on the Vanguard Initiative (which Scotland is a member of and which aims to better position and embed smart specialisation within relevant EU policy) to expanding and sharing knowledge with other areas of Europe through participation in the varied events taking place across Brussels.

### **Netherlands Presidency of the Council of the European Union Priorities – January-June 2016**

The Netherlands Presidency will focus on four key priority areas:

- A comprehensive approach to migration and international security
- Europe as an innovator and job creator
- Sound, future-proofed European finances and a robust Eurozone
- Forward looking policy on climate change

The Scottish Government welcomes the commitment of the Dutch Presidency to maintain a focus on jobs and sustainable inclusive growth at the heart of the EU agenda. There are clear synergies between the Presidency and Commission programmes for Europe. Scottish Government interests will therefore also read-across both agendas and will continue to focus in the same areas as covered earlier in the paper under the Commission Work Programme (page 3).

The Committee will be provided with an update on Scottish Government Brussels-based EU engaged for the period of the Netherlands Presidency in the summer.