

BRIEFING FOR THE FIRST MINISTER

SG/UNICEF SOCIAL POLICY SUMMIT ON TACKLING CHILD POVERTY

TUESDAY 10th April 2018

<p>Key message</p>	<p>Scotland and China face common challenges and have much to gain from working together to meet our obligations on the UN Convention on the Rights of the Child and the UN Sustainable Goals for Development.</p> <p>Scotland is an outward looking country and we will continue to be good global citizens and play our part in the fight against global poverty, inequality and injustice.</p> <p>We are committed to sharing Scotland’s approach to tackling and measuring child poverty with Chinese policy makers.</p>
<p>What</p>	<p>Joint SG/UNICEF social policy summit (hosted by the Chinese Friendship Association) on tackling child poverty - “Children’s Rights and Equity: closing gaps for the poorest children”.</p> <p><u>Opening with:</u> FM key note speech on the importance of tackling child poverty to promote social justice.</p> <p><u>To note:</u> the key note speech will be followed by a roundtable (facilitated by UNICEF) between Scottish policy makers/academics and Chinese counterparts (FM will not attend this).</p> <p>Simultaneous translation</p>
<p>Why</p>	<p>[REDACTED]</p> <p>Stimulate future joint working between Scotland and China, to tackle child poverty.</p> <p><u>To note:</u> the key note speech will be followed by a roundtable (facilitated by UNICEF) between Scottish policy makers/academics and Chinese counterparts (FM will not attend this).</p>
<p>Who</p>	<p>Audience of 150 Chinese policy makers, social policy students and academics, including:</p> <ul style="list-style-type: none"> • President of Chinese Friendship Association - Li Xiaolin [MS LEE] • UNICEF Representative to China - Rana Flowers • Deputy Director of Office of National Working Committee on Children & Women - Mme Song <p>Scottish experts:</p>

	<ul style="list-style-type: none"> • Professor Jane Duckett – Glasgow University • Douglas Hamilton - Poverty and Inequality Commission • [REDACTED]
Where	Chinese Friendship Association (auditorium) 1, TaiJichang Street Beijing, 100740 (Site of the former Italian Diplomatic Concession)
When	10 April, 09:15 – 10:30
Likely themes	Early years development Equalisation of basic service for children Vocational training for young people Measurement of progress of UN Sustainable Development Goals
Media	See Comms plan
Supporting official	[REDACTED]
Attached documents	Annex A: Agenda Annex B: Key attendees Annex C: Child poverty in China and Government priorities Annex D: UNICEF's work in China/Potential Scottish input Annex E: Scotland's approach to tackling child poverty Annex F: Scotland's National Performance Framework

AGENDA

- | | |
|---------------|---|
| 9.15 – 9.45 | FM pre meeting with President of Chinese Friendship Association - Li Xiaolin |
| 9.45 – 9.55 | Welcome and Introduction from Chinese Friendship Association |
| 9.55 – 10.05 | Short Speech by Mme Song
Office of National Working Committee on Children & Women |
| 10.05 – 10.10 | Opportunity for Input from UNICEF representative |
| 10.10 – 10.30 | Keynote address from FM with follow up Q&A. |

KEY ATTENDEES

President of the Chinese People's Association for Friendship with Foreign Countries (CPAFFC) - Li Xiaolin



From 1990 to 1992, Li served as First Secretary of the Embassy of China to the USA. From 1992 to 2007, Li alternatively served as deputy director and director of the Department of the Americas at the CPAFFC, as well as vice-chairperson and deputy party secretary of the CPAFFC.

From 2007 to 2011, Li was the vice-chairperson and party secretary of the CPAFFC, before being made chairperson in 2011.

Li is one of four children of former President of the People's Republic of China, Li Xiannian and his second wife, Lin Jiamei.

****First Minister last met Li Xiaolin during the UK/China People to People Dialogue – Dec 2017***

UNICEF Representative to China - Rana Flowers



Prior to this appointment, Rana has led UNICEF teams in several countries. As Representative in Cambodia, she worked closely with Government counterparts to build and strengthen systems, to identify bottlenecks to the achievement of MDGs and to support Government to introduce equity focused interventions for the women and children of Cambodia. Prior to Cambodia, Ms. Flowers was the UNICEF Representative to Mongolia where she worked with her team to promote achievement of MDGs at sub-national levels, to increase attention to equity and bring health, nutrition, child friendly education and protection to the most excluded populations.

Deputy Director - Office of National Working Committee on Children & Women – Mme Song

The National Working Committee on Children and Women under the State Council is made up of ministers from 33 ministries and commissions. Their mission is to:

- coordinate and promote various government departments' work on the protection of the rights and interests of children and women;
- coordinate and promote the establishment and implementation of the children and women development programs;

- coordinate and promote the government departments concerned to provide the necessary manpower, money and materials for the work on children and women;
- guide, urge and examine the work of the working committees on children and women in various provinces, autonomous regions and municipalities directly under the Central Government.

Mme Song's UNICEF speech will cover:

1. Children and child development are critical to sustainable economic and social development.
2. A brief intro of legal frameworks and social welfare policies concerning children in China.
3. The role of NWCCW and the NPA for Children, and NWCCW's partnerships with UN agencies, incl. UNICEF, on health, education and child rights.
4. Achievements of China on child development, e.g., under 5 mortality, compulsory education, early childhood education, nutrition, and social assistance to disadvantaged children.
5. Challenges going forward: urban – rural disparities, developmental indicators of poor children, quality social services etc.
6. The 19th CPC emphasized children as a priority for the nation's development.

SCOTTISH EXPERTS

Professor Jane Duckett – Glasgow University



Professor Duckett is a China public policy expert. She has argued through studies of social welfare, poverty, unemployment and health policies, that the politics behind them and their enormous redistributive consequences make them central to the Chinese state's marketising project.

Professor Duckett is Edward Caird Chair of Politics, International Dean (East Asia), and Director of the Scottish Centre for China Research at the University of Glasgow. She is also Guest Professor at Nankai University (Tianjin, China).

[REDACTED]

Douglas Hamilton

Current chair of the Poverty and Inequality Commission. Director of the RS Macdonald Charitable Trust having previously been the Head of Save the Children in Scotland. Between 2013 and 2016, Douglas was a member of the Commission on Social Mobility and Child Poverty, and has also served on the Scottish Ministerial Advisory Group on Child Poverty.

CHILD POVERTY IN CHINA AND GOVERNMENT PRIORITIES

Current situation

55.75 million people (5.7%) in China's rural areas living below the national poverty line, and poverty disproportionately affecting children, with 7.1% of rural children affected by monetary poverty (National Bureau of Statistics of China, 2016b). In 2014, under-five mortality rates in rural areas were more than twice those in urban areas (United Nations Development Programme in China & Development Research Centre of the State Council of China, 2016). Inequities are reflected in social development indicators for children (UNICEF, 2014b), and also in income inequalities driven by the rural–urban divide (Xie & Zhou, 2014).

There is no national monitoring of child poverty in China. The current child poverty headcount ratio estimates the proportion of rural children living under the rural (income) poverty line, which has proven a higher rate of monetary poverty among children as compared to adults.

A key growth strategy for China is to realise the rights and harness the full potential of every girl and boy in the next generation by investing in their future.

(Source: Extract from *Institute of Psychology, Chinese Academy of Sciences Journal, 2017*)

Government priorities

The Government of China is committed to early childhood development. Since the landmark decision by the Government of China in 2010 to dramatically expand early childhood education, the country has witnessed a dramatic increase in the number of children aged 3-6 attending kindergartens, from just 45 per cent in 2009 to 70.5 per cent by 2014. China is also exploring the emerging international focus on the importance of integrated services for 0-3 year old children. **(Source: UNICEF China)**

China's current National Programme of Action for Children

China's current National Programme of Action for Children (2011-2020) states, "*We should adhere to the principle of children as a priority, protect children's rights of survival, development, being protected and participation, narrow children's development gap between urban and rural areas, improve children's welfare level and the overall quality of children, and promote children's health and comprehensive development.*" Priority has been given to healthcare, nutrition, and education, and rural children, in the implementation of poverty alleviation plans.

At the 19th Communist Party Congress, President Xi Jinping identified children as one of the 'vulnerable groups' which would be focused on after China has achieved its 2020 goal of eradicating extreme poverty.

China's International commitments

China has publicly stated its commitment to the **UN Sustainable Goals for Development**.

China is signatory to the **UN Convention for the Rights of the Child**.

UNICEF are working with the National Development and Reform Commission, China's planning ministry, to identify opportunities to put children first in mainstream national development policies, such as the reform of essential basic services. NDRC is also responsible for coordinating the national implementation plan for the SDGs.

UNICEF WORK IN CHINA AND POTENTIAL SCOTTISH INPUT

In 1947, China became the first country in Asia to welcome a partnership with UNICEF. Social policy for children in China, along with budget allocations for implementation, has improved over the last ten years. **UNICEF works with the Chinese government to strengthen policies, laws and national plans for the equitable realisation of child rights.**

UNICEF China Projects include:

- collaborating on piloting a comprehensive [child welfare system](#) that sets the benchmark for providing social services to vulnerable children,
- supporting research about how to [eliminate disparities](#) in delivery of social services among socioeconomic groups and across geographic regions,
- developing [Child Welfare Activity Centres](#) where children can play and learn livelihood skills, and
- study of the features and the extent of [child poverty](#) in China, and advocacy for and support to development of new approaches to alleviating childhood deprivations
- the Mother-Baby Package pilot project, which provided comprehensive maternal-child health services and information, and which contributed to dramatic reductions in rates of maternal mortality.
- the Shijiazhuang migrant children pilot project, which supports improved access to health care and education for migrant children.
- the Early Childhood Development pilot project, which enables children between the ages of three and six to attend quality community-based pre-school that provides a constructive and stimulating learning environment.
- the Child Welfare Demonstration Project, which is contributing to the establishment of China's child welfare system to support vulnerable children through family and community-based services and resources for children who otherwise would not access assistance.

Potential Scottish input

UNICEF China have identified the following areas where they think **Scottish experience could be of interest/value to the Chinese Government.**

- **Equalisation of basic service for children – across the whole of China**
UNICEF hope that China could set up children commissions and research committees at decentralised level.
- **Early child development – development of a national approach for China.**
China is exploring the development of integrated services for 0-3 year old children.
- **Scotland's approach to integrating the SDGs into our NPF.**
- **Vocational training** for young people. With an ageing population, China needs to ensure that young people are skilled for the labour market.

SCOTLAND'S APPROACH TACKLING CHILD POVERTY

Overview

Income and Poverty statistics published on 22 March 2018 indicate rising poverty in Scotland in 2014-17 compared to 2013-16. Over the three year period 2014-17, after housing costs (AHC), one in four children in Scotland (24%, 230,000) were living in relative poverty, with 66% of living in households where someone works. This figure is projected to rise to 29% by 2021 according to research conducted by the Institute for Fiscal Studies and recent projections undertaken by the Scottish Government indicate it will rise to 38% by 2030.

We find this figure unacceptable, especially in a modern, thriving country like ours. That is why we are working hard to reduce child poverty.

Child Poverty (Scotland) Act 2017

In February 2017 we introduced the Child Poverty Bill to the Scottish Parliament, which sets out targets to reduce the number of children experiencing the effects of poverty by 2030. This was passed unanimously by the Scottish Parliament on 8 November 2017.

Introducing statutory targets:

- will help focus efforts in the areas that need it most
- helps monitor progress
- is in line with the UN Convention on the Rights of the Child (UNCRC)

The targets state that, of children living in Scottish households, after housing costs have been considered:

- **less than 10% should be living in relative poverty**
(how many families are on low incomes compared with middle income households)
- **less than 5% should be living in absolute poverty**
(how many low income families are not seeing their living standards improving over time)
- **less than 5% should be living with combined low income and material deprivation**
(how many lower income families cannot afford basic necessities)
- **less than 5% should be living in persistent poverty**
(how many families live on low incomes three years out of four)

The Act requires Scottish Ministers to publish Child Poverty Delivery Plans at regular intervals, the first of which was published on 29 March 2018, and report annually on progress toward the targets.

There is a duty placed on Local Authorities and Health Boards to report annually on action they have taken to contribute towards the targets, and report on action they intend to take in future.

The Act also establishes in statute a Poverty and Inequality Commission which will scrutinise progress towards the targets and provide advice on action to be taken in each Delivery Plan period.

Child Poverty Delivery Plan

The first Delivery Plan due under the Child Poverty (Scotland) Act was published on 29 March, backed by a £50 million Tackling Child Poverty Fund. The Plan (Every Child, Every Chance) covers the period 2018-22 and is the first of three to be published, outlining action to progress to the 2030 targets, and 2023 interim targets.

Top Lines

- Our Tackling Child Poverty Delivery Plan is the first crucial step to delivering on our ambition to end child poverty.
- The Plan, backed by a £50 million Tackling Child Poverty Fund sets out the action we will take to make progress towards the ambitious targets set out in the Child Poverty Act.
- It reflects the advice we have received, from the Poverty and Inequality Commission, our wide ranging consultation, and others besides.
- We have set out a wide range of action across, Work and Earnings, Reducing Household Costs and Social Security.
- We have also taken account of the need to help families in other ways, to improve their lives in the short term, and work closely with our partners to deliver our ambition.
- These actions range across government portfolios, recognising that no one policy can deliver the change needed in isolation.
- This plan is only the beginning. We will review our progress annually and continue to push for the radical change needed to deliver on our shared ambition.

This is the first step to ensuring that in Scotland, Every Child has Every Chance

Advice

The current Poverty and Inequality Commission, established by Scottish Ministers in July 2017, published their [advice on the Child Poverty Delivery Plan](#) on 26 February 2018.

The Commission made 40 recommendations and sets out:

- A set of general principles on the approach the Plan should take.
- Three areas of focus that the Commission considers will have the biggest impact on the targets: **work and earnings, social security** and **housing costs**.
- Some further areas where action is needed to improve the quality of life of children living in poverty to help families manage the impact of poverty

Tackling child poverty as part of a wider strategy

The Child Poverty Bill is part of the [Fairer Scotland Action Plan](#), which sets our overall strategy for tackling poverty and inequality in Scotland.

The core principles of the Act are further strengthened by the:

- [Children and Young People \(Scotland\) Act](#)
- [Getting it Right for Every Child \(GIRFEC\)](#) approach
- [Early Years Framework](#)

They are all designed to ensure that children's interests and rights are placed at the centre of our policy considerations.

NPF Inequality Indicator (as at 21 March 2018)

- **The percentage of children in combined material deprivation and low income has fallen** from 16% in 2006/07 to 10% in 2015/16.

[REDACTED]

NATIONAL PERFORMANCE FRAMEWORK

Top Lines

- Scotland is one of the first countries to commit publically to the United Nations Sustainable Development Goals. The NPF will be one of the measures used to monitor Scotland's progress towards the Goals.
- Scottish Ministers are committed to embedding Scotland's National Action Plan for Human Rights in the NPF. The review of the National Outcomes gives us the opportunity to embed both the SDGs and SNAP in the NPF

Integration of NPF and UN Sustainable Development Goals

In late 2017 the NPF team conducted 22 Indicator workshops for both internal colleagues and external stakeholders to seek views on the draft national outcomes, and to develop what indicators would underpin the outcomes. While developing these indicators, we carried out feasibility assessment on the indicators to determine what would make an appropriate indicator on various criteria. As part of the criteria, one of our ambitions was to ensure that we aligned with measures that underpinned the UN Sustainable Development Goals where possible.

An example of this alignment is present in our new ***'Energy from renewable sources'*** National indicator, which aligns with SDG indicator ***7.2.1 Renewable energy share in the total final energy consumption***. Through this feasibility exercise the National Indicator suite that underpins the new National Performance Framework is better aligned with the UN SDGs, and will act as one of our measurement tools for Scotland to assess progress towards the SDGs.

[REDACTED]

BRIEFING FOR FIRST MINISTER

FORBIDDEN CITY SITE VISIT

TUESDAY 10TH APRIL 2018

Key message	<ul style="list-style-type: none">• China is a priority country for Scotland's international engagement and developing strong relations with the Chinese Government is important.
What	<ul style="list-style-type: none">• Visit to the Palace Museum, aka 'The Forbidden City'
Why	<ul style="list-style-type: none">• Allow host officials to welcome the First Minister to one of the most iconic Chinese cultural sites, the Forbidden City• To elicit support at the highest level within the Palace Museum for the Historic Environment Scotland/Stirling University/Forbidden City joint research project, and draw associated political support• Allow both HES and the Palace Museum to showcase their latest 3D work, and to discuss other research strands
Who (in order of visit)	<ul style="list-style-type: none">• Mr Zhaopeng [MR JOW], the Director of the Architectural Heritage Department of The Palace Museum• Mr Wei Lou [MR LOW], Deputy Director of The Palace Museum• Staff of the Institute for Digitization of The Palace Museum Heritage who are working in partnership with Historic Environment Scotland will demonstrate digital technologies. They are Mr Huang Moqiao [MR HWANG] and Ms Ying Zhuang [MS JUANG]• Prof Richard Oram, Dean of the Faculty of Arts and Humanities at the University of Stirling• Note that hosts from the Chinese People's Association for Friendship with Foreign Countries will be in attendance. This event has had to be facilitated through them
Where	Palace Museum, Forbidden City, Beijing
When	10:55 – 12:00
Likely themes	Culture, Historic Environment
Media	See comms plan
Supporting official	[REDACTED]

Attached Documents

Annex A: Summary Page

Annex B: Venue background – The Forbidden City/Palace Museum

Annex C: Biographies

Annex D: Visit Schedule provided by the Palace Museum (v2)

SUMMARY PAGE**Purpose of event:**

- Allow host officials to welcome the FM to one of the most iconic Chinese cultural sites, the Forbidden City
- To elicit support at the highest level within the Palace Museum for the Historic Environment Scotland/Stirling University/Forbidden City joint research project, and draw associated political support
- Allow both HES and the Palace Museum to showcase their latest 3D work, and to discuss other research strands
- Provide a media opportunity for the FM against the dramatic cultural backdrop of the Forbidden City.
- Informally discuss the potential for the new immersive technologies to inspire young people to take an interest in their heritage

Key messages:

- Thank the Palace Museum for hosting her visit, and for its part in helping facilitate the tri-partite agreement between Historic Environment Scotland, Stirling University and the Museum, the founding agreement having been signed last year
- Delighted to be here to see the wonders of the Forbidden City at first hand
- Great to be able to test drive some of the 3D VR technologies, and to see examples of work that will form the digital research strand of the project.
- The attraction of the new 3D technologies ties in well with the aspirations of the Year of Young People
- Fantastic for Scotland to be able exchange conservation skills and expertise relating to historic buildings and materials with partners in China – we have so much to learn from each other
- We were delighted to be able to welcome colleagues from the Palace Museum to Stirling and Edinburgh last year, but this was just the beginning – we look forward to welcoming more exchange visits, and to more our staff coming to Beijing.

Key Facts:

- Historic Scotland (now HES) established a strong relationship with the State Administration for Cultural Heritage (SACH) in 2011 when the Eastern Qing Tombs were included as the third international site as part of the **Scottish Ten**. A significant portion of the enormous tomb complex was digitally documented and the data gifted by the Scottish Government to the People's Republic of China
- Historic Environment Scotland (HES), the Palace Museum and Stirling University signed an MoU in Beijing in April 2017.
- Their collaboration is based on exchanging technical conservation expertise based around the following research themes:
 - Asset Management of complex heritage sites
 - Digital Documentation and Visualisation.
 - Materials characterisation.
 - Conservation of historic fabric and traditional materials.
 - Conservation philosophy: values and significance
- This visit focuses on the second theme, Digital Documentation and Visualisation, and virtual reality demonstrations will feature the Forbidden City and Stirling Castle
- The Palace Museum is very keen for the next project to focus on 'Crystal Palace', a spectacular cast-iron framed building which Christopher McGregor of HES will investigate during this visit.

THE FORBIDDEN CITY

'The Forbidden City' is an iconic palace complex situated in central Beijing and was the Imperial Palace from the Ming dynasty to the end of the Qing dynasty (1420 to 1912). It is now known institutionally as the Palace Museum. The Forbidden City was the official home of emperors and their households and acted as the ceremonial and political centre of Chinese government for almost 500 years.

Originally constructed from 1406 to 1420 (but with significant later additions, such as the 'Crystal Palace'), the complex comprises over 980 buildings, and covers an enormous area (72 hectares). It is regarded as exemplifying traditional Chinese palatial architecture, and has influenced cultural and architectural developments in East Asia and further afield. The Forbidden City was inscribed onto UNESCO's World Heritage List in 1987, and is cited by UNESCO as being the largest collection of preserved ancient wooden structures in the world.

Since 1925 the Forbidden City has been under the charge of the 'Palace Museum', whose extensive collection of artwork and artefacts were built upon the imperial collections of the Ming and Qing dynasties. Since 2012, the Forbidden City has seen an average of over 15 million visitors annually, and therefore shares some of the visitor management issues currently encountered by Historic Environment Scotland at Edinburgh Castle.

Previous Engagement

The former First Minister visited the Forbidden City in 2011 when he signed a cultural agreement with the Chinese government encouraging the exchange of paintings, poets and performers between Scotland and China. He also witnessed the signing of the **Scottish Ten** agreement which enabled experts from Historic Scotland and the Glasgow school of Art to digitally record the Eastern Qing Tombs, another World Heritage Site.

BIOGRAPHIES



Mr. LOU Wei (Palace Museum) was born in Beijing in October 1970. A member of the Communist Party of China, he has a Bachelor of Arts in History and completed graduate work at the School of Arts, Peking University. He has been employed at the Palace Museum since 1993 and was promoted to the position of Deputy Director of the Palace Museum in 2014.



Professor Richard Oram (University of Stirling) is a Medieval historian, and has been Dean of the Faculty of Arts and Humanities at the University of Stirling since 2016. A former Director of the Centre for Environmental History and Policy, in 2008 he was appointed a member of the Historic Environment Advisory Council for Scotland, providing advice to Scottish Ministers on aspects of policy and public engagement in the sector. He is leading the Stirling University arm of the joint project with the Palace Museum and Historic Environment Scotland, which commenced in Beijing in 2017.

[REDACTED]

VISIT SCHEDULE: PALACE MUSEUM/FORBIDDEN CITY

10/01/2018	Event	Note
10:55am	<ul style="list-style-type: none"> ➤ First Minister Delegation arrive at the Xihua Gate of The Palace Museum ➤ Walk to the Square of the Hall of Supreme Harmony, The Palace Museum(10 Minutes) 	[REDACTED]
11:05am-11:20am	<ul style="list-style-type: none"> ➤ Meet Mr Zhaopeng, the Director of the Architectural Heritage Department of The Palace Museum at the Square of the Hall of Supreme Harmony, The Palace Museum ➤ Walk to the institute for Digitization of The Palace Museum Heritage.(10 Minutes) 	
11:30am - 12pm	<ul style="list-style-type: none"> ➤ Arrive at the institute for Digitization of The Palace Museum Heritage and meeting with Mr Wei Lou, Deputy Director of The Palace Museum. ➤ Photo ➤ The digitalization achievement of The Palace Museum showcase (15 minutes)+ Stirling Castle VR showcase (5 minutes) 	The digitalization achievement of The Palace Museum showcase (15 minutes)

BRIEFING FOR THE FIRST MINISTER

LAUNCH OF SCOTTISH SOCIAL ENTERPRISE ACADEMY IN CHINA

TUESDAY 10 APRIL 2018

Key message	Scotland provides world class support for social enterprises and is keen to share its experiences with China. Delighted to officially launch of Social Enterprise Academy China
What	Launch of the Social Enterprise Academy in China
Why	<ul style="list-style-type: none">• Connect with social entrepreneurs, philanthropists and stakeholders from China's newly emerging social enterprise ecosystem• Highlight learning from Scotland's world leading social enterprise support ecosystem
Who	A mix of China's social entrepreneurs, philanthropists and social enterprise support organisations covering all aspects of the support ecosystem. * attendees in Annex E
Where	Beijing – near Forbidden Kingdom <i>Yuan En Space, No.1. Houyuanensi, Hutong, Beijing</i>
When	Tuesday 10 th April, 12:15 – 13:00
Likely themes	Social enterprise, international collaboration, learning and development, education
Media	As per Comms plan
Supporting officials	[REDACTED]
Attached documents	Annex A: Summary Page Annex B: Timings and Agenda Annex C: Social Enterprises in Scotland Annex D: Background Information [REDACTED]

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SUMMARY PAGE

The event will be highly participative – exemplifying the Academy approach – valuing participants’ experience and voices, and standing out as an unusual ‘official’ event.

All participants will be in a large circle (chairs/standing), enabling formal speeches from the side or centre. During participative sessions, participants will move around the room, talking with each other, and also to the whole group. Sam Baumber, Managing Director, Social Enterprise Academy International CIC, has facilitated this style of event several times in Malaysia, Pakistan, China, Northern Ireland and Scotland, and will manage the entire process with support from the SEA China team.

FM will arrive and join us for lunch and networking alongside other stakeholders at all levels, then speaks, then finishes with photo opportunity and networking.

This is the event space, and a previous learning programme hosted by SEA as part of the British Council Social Investment Platform (2015):



TIMINGS AND AGENDA

Timing	Activity	Lead
09:00	SEA Team arrive – set up	Team
10:30	ARRIVALS – participants, refreshments / available	SEA team host and welcome – facilitating networking
11:00	Event Start – welcome (Large circle of chairs)	Opening / welcome speech (brief): Jufang Zhang [MS JANG], CEO, SEA China
11:15	Participative Session 1: China social enterprise ecosystem (Icebreakers & valuing the experience of attendees in the room)	Facilitation: - Sam Baumber, SEA International CIC - Jufang Zhang, CEO CBAC & SEA China
12pm	Group breaks for lunch & networking Reception style, allowing a buffer time in case FM arrival is delayed.	
12:15 - 12.40 (or from the point the FM arrives)	<p>1. FM arrives</p> <p>a) Met at Front door in the Hutong (lane), then hosted throughout by:</p> <ul style="list-style-type: none"> - Sam Baumber, MD, SEA International CIC - Jufang Zhang, CEO, CBAC & SEA China <p>b) Welcome and walking through corridor to gathering of participants having networking lunch (indoor space)</p> <p>c) FM introduced to 4 main stakeholders/funders leading China’s social enterprise ecosystem (*see full bios below)</p> <ul style="list-style-type: none"> - Ms. Cathy Sheng, Sec. General, Social Enterprise and Investment Forum - Mr. Bei Wei, Secretary General, Yi Fang Foundation - Mr. Yong Guang Xu, Chairman, Narada Foundation - Professor Yuan, Peking University <p>d) FM offered networking lunch with these main stakeholders plus Sam & Jufang</p> <p>e) If time/appropriate, the FM is welcome to meet / be introduced informally to a social entrepreneurs too (but will also get the chance</p>	

	<p>to interact in the next step too)</p> <p>Photo ops: FM – in conversation with China’s social entrepreneurs & philanthropy leaders</p>
12.40	<p>Participative ‘Ceremony’ SEA Team gathers full group, standing, out in the central outdoor courtyard (or second indoor space if poor weather)</p> <ul style="list-style-type: none"> - Sam Baumber hosting/ facilitating – arranges group to stand in a ‘horseshoe’ shape – inviting them to order themselves by length of time involved in social enterprise (this mixes the group well, including Scottish delegation) - First Minister is welcome to participate – or stay at the centre / head of the horseshoe with Sam, Jufang and interpreter. - If time, Sam will invite a couple of China’s social entrepreneurs to explain in 30 secs each what they do – this is their chance to be heard by the group – and to speak first. <p>Photo op: Group in action - visually this is a dynamic gathering followed by circle of people - stood in a traditional courtyard in the Hutongs of Beijing. First Minister interacting / at the centre. Potential photos from above looking down on the gathering.</p>
12:45	<ul style="list-style-type: none"> - Sam Baumber, with brief outline of Scotland’s social enterprise experience – and Social Enterprise Academy worldwide then hands to Jufang - Jufang Zhang, CEO, CBAC & SEA China – very brief speech, welcoming and thanking First Minister for attending
12.50	<p>FM brief speech (5mins): (stood at centre/head of ‘horseshoe’)</p> <ul style="list-style-type: none"> - Reinforcing any messages from the speeches above - Scotland’s world leading social enterprise ecosystem and endorsing collaborating between organisations from Scotland and China - FM concludes speech with announcing the launch of the Social Enterprise Academy China - First Minister to present Jufang Zhang, SEA China partner, with a gift (Tartan Sash & Brooch – sourced by SEA, made by Grassmarket Community Project (social enterprise supply chain) – (SEA staff will hand the gift to the FM to present) <p>Photo ops: - FM speaking to full group in a circle of people in Courtyard</p>

	<ul style="list-style-type: none"> - FM presenting gift to Jufang & Team - FM with full group
13:00	FM departs - Final Thank You – Car pick up at Front Door / end of Hutong

ANNEX C

SOCIAL ENTERPRISES IN SCOTLAND

- **Social enterprises are businesses that trade for the common good.**
- **They seek to make profits, but are committed to reinvesting these into a social mission**, for example, delivering local community projects or services, creating employment for disadvantaged people or protecting the environment.
- **Social enterprise promotes economic growth that is inclusive.** They generate prosperity with greater equality, creating opportunities for all and distributing the benefits of increased prosperity fairly.
- **Social entrepreneurs are driven by a passion to improve the world in which they live**, often with a focus on early intervention. Social enterprise is a sustainable model that communities can use to tackle tough social issues.
- **Consumers are increasingly interested in the ethical practices of those they buy from.** Social enterprises are well positioned to meet this increasing demand for socially responsible products and services.

Scotland is a world-leading social enterprise nation.

- **Following a decade of investment Scotland’s ‘eco-system of support’ for social enterprise is recognised as world-leading**, featuring a national incubation programme, free business support and affordable social finance.

- **The Scottish Government published a ten-year social enterprise strategy to ensure this movement realises its full potential**, co-produced with Scotland's social enterprise sector and launched in December 2016.
- **We have already published the first of three delivery plans to realise this vision**, setting out 92 actions including expanding our schools programme, doubling seed funding and expanding Community Shares Scotland.
- **Scotland will host the Social Enterprise World Forum in 2018**, welcoming thousands of delegates and marking ten-years since the inaugural event took place in Edinburgh in 2008.

The social enterprise sector in Scotland is unique and it's growing.

- **The Scottish Government is committed to conducting a national census of the social enterprise sector every two years**, to help understand the size, shape and needs of this emerging sector.
- **The 2017 Census found 5,600 social enterprises operating across Scotland, an increase of 8%**. The sector is mostly led by women (64%), contributes £2 billion to the economy and employs over 80,000 people.
- **Rural Scotland now accounts for 34% of Scotland's social enterprises, despite being home to only 18% of the nation's population**. The highest densities of social enterprises are found in the Highlands and Island

Social Enterprise Key Programmes

Entrepreneurship

- Since 2009, we have invested more than £4.6 million into our national incubator, the 'Social Entrepreneurs Fund', delivered by Firstport. Over 480 grants (worth £3.8 million) have been awarded, alongside advice and support.

Social Investment

- Between 2007 and 2011, we invested £31.8 million into our 'Scottish Investment Fund', delivered by Social Investment Scotland, helping to provide affordable social finance to 67 social enterprises. This fund is closed.
- Since 2014, we have invested £3.7 million in our 'Social Growth Fund', delivered by Social Investment Scotland, providing affordable social finance to 11 social enterprises. This fund is open to new applications.

- This year, we provided £135,697 to support Community Shares Scotland. This innovative programme has raised more than £8.5 million through 'community share offers', supporting 81 local community-led organisations.

Business Support

- Since 2011, we have invested £7.2 million into the 'Just Enterprise' programme, providing free business support and specialist advice to more than 6,000 social enterprises.
- Since 2016, we have invested more than £200,000 in a new 'Partnership for Procurement' initiative which provides free procurement advice and help to build consortia thereby increasing readiness to bid for public sector contracts.

Education

- Since 2007, we have invested more than £690,000 into the 'Social Enterprise in Schools' programme, delivered by Social Enterprise Academy providing social enterprise learning in 855 schools right across Scotland.

Advocacy and Membership Bodies

- Since 2007, we have invested £1.1 million into Senscot, helping to build and support a membership network of 23 local Social Enterprise Networks (SENs), benefiting 1,300 social enterprises.
- Since 2007, we have invested £1 million into Social Enterprise Scotland, helping to support, advocate and conduct research on behalf of its 200 members.
- Since 2007, we have invested £914,500 into Social Firms Scotland, helping to support 177 'supported members', exploring ways to reduce barriers to employment through social enterprise.

BACKGROUND INFORMATION

3.1 Social Enterprise Academy / SEA China

Social Enterprise Academy (SEA) | www.socialenterprise.academy

Founded in Scotland in 2004, the Social Enterprise Academy has a fourteen year track record delivering learning programmes in leadership, enterprise, personal development and social impact to support the people and organisations enabling social change.

It has been a strategic partner of the Scottish Government Third Sector Division since 2007, and has been a key partner in delivering Just Enterprise since 2011.

Since 2012, the Academy responded to demand to replicate internationally. SEA is now working with over 10 partners to share its model, and enable others to benefit from dynamic peer-support programmes in their communities.

The Academy has partnership hubs developing in Australia, South Africa, Malawi, Wales, Italy, Pakistan, Malaysia and India.

Hubs are currently being explored in Rwanda, Zambia, New Zealand and Canada.



CBAC | www.cbac.org.cn

In 2014/15 while SEA was delivering learning programmes for the **British Council** Social Investment Platform, CBAC was selected as the Exclusive Exploration Partner to operate SEA China. This moment reflects moving from exploration in China to a 3 year social licence agreement to enable CBAC to begin to grow Social Enterprise Academy China.

CBAC provides capacity development, network support, and training to Chinese and International NGOs. They focus on creating strong, cross-cutting networks as well as training and in-depth support to social impact organisations and have reached over 30,000 beneficiaries since 2005.

3.3 Scotland's Social Enterprise support ecosystem

Scotland has evolved a world leading support infrastructure for its social economy, which currently has 5,600 social enterprises developing in Scotland, alongside many more third sector organisations.

Over 61% of these are generating more than half their income from trading to support delivery of their social purpose activities, playing a key part in achieving inclusive growth (Social Enterprise in Scotland Census, 2017).

Key elements of the Scottish ecosystem of support include:

- Social investment & direct funding
- Leadership, education & development
- Positive policy opening markets
- Business support
- Academic Capacity
- International Development
- Social Innovation & Community Empowerment
- Support for entrepreneurs & local networks

Skills development - blending enterprise, leadership and peer support - is proven to be crucial for the resilience and success of those leading this entrepreneurial culture change, balancing commercial skills with social goals towards an economy built on inclusive growth (Scottish Government, Critical Success Factors, 2010; Economic Strategy 2015; Social Enterprise Strategy 2016).

Highlands & Islands Enterprise (HIE) and Scottish Government's Third Sector Division, through vehicles such as the Social Entrepreneurs Fund and the Just Enterprise contract, have underpinned all elements of the ecosystem working with a range of strategic partner organisations from within the sector, such as CEiS, SENSCOT, Social Enterprise Scotland, Firstport, Social Firms Scotland and the Academy.

Leading the world, in September 2016 Scottish Government launched the first global social enterprise strategy 'Internationalising Social Enterprise'. Scottish Government has already invested in the replication readiness and of a key part of Scotland's ecosystem – the Social Enterprise Academy. The Academy is a key case study and partner contributing to delivery of the strategy, one of the 7% of social enterprises currently exporting, trading and building global networks of partners in other markets.

3.4 Things to note

- Scotland's experience offers much to support China's social enterprises, however China faces challenges Scotland's social entrepreneurs have not had to contend with, therefore there is much we can learn from in return.
 - A support ecosystem of intermediaries has been developing over the last 7 years in China – initially led by the British Council Social Investment Platform – which ended in 2016.
 - The Academy approach aims to respect work already achieved as it enters and hopes to add value, building positive relationships with existing intermediaries and presenting itself as a willing partner and collaborator.
-
- The First Minister is able to help the SEA celebrate the announcement of a 3 year Social Licence Agreement for CBAC to operate SEA China more fully as an effective contributor to help build China's social enterprise support ecosystem, and join our international network of partners in 10 countries.

[REDACTED]

BRIEFING FOR THE FIRST MINISTER

STATE DEVELOPMENT INVESTMENT CORPORATION (SDIC), BEIJING

TUESDAY 10TH APRIL 2018

Key messages	<ul style="list-style-type: none">• Scotland continues to be progressive on the world stage in relation to renewables and clean technology, with the growth of the offshore wind sector continuing to be a key priority for the Scottish Government.• Welcome the further investment made by SDIC since FM's last meeting with Chairman Wang and other members of the SDIC delegation (SDIC/Red Rock Power's Edinburgh Office opening in December 2016).• Keen to understand next steps with SDIC's offshore wind portfolio (Beatrice and Inch Cape) and how to support, including through use of Scottish supply chain. Also seek to understand wider investment priorities and decision making criteria.• Scotland has more world class Universities than any other country by head of population and attracts more R&D projects than any other part of the UK, including London.• Scotland's innovation story is characterised not only our energy production experience but with all aspects of the ecosystem, from policy development to the connections with universities and the talent they produce.
What	Meeting with SDIC, an existing investor in Scotland [REDACTED]
Why	<ul style="list-style-type: none">• Gain senior level insights into SDIC Group's wider overseas strategy and future focus in the UK & Europe, particularly around innovation and technology. Re-enforce the message that we would like to work proactively with SDIC [REDACTED]
Who	Martyn Roper, Minister & Deputy Head of Mission British Embassy Beijing Mr. Shi Hongxiang, (SHEE-HONGS-YANG) President, SDIC Mr. Fan Yi, Secretary of the Board, SDIC, Executive Director, General Office, SDIC Mr. Guo Zhongjie, Assistant President, SDIC, Executive

	<p>Director, Department of Strategy & Development, SDIC Ms. Ma Hongyan Executive Director, Department of Legal & Compliance, SDIC Mr. Zhao Fengbo Deputy General Manager, SDIC Power Holding Co., Ltd. Ms. Cui Hongqin, General Manager, Rongshi International Holding Co., Ltd.</p>
Where	SDIC Offices, Beijing
When	14:45 – 15:30
Likely themes	<i>Scotland's Energy Strategy, Offshore Wind, Infrastructure</i>
Media	n/a
Supporting officials	<p>[REDACTED] SDI Director Asia Pacific, [REDACTED] [REDACTED] [REDACTED]SG Deputy Director Energy [REDACTED] UK Embassy/DIT China representative tbc</p>
Attached documents	<p>Annex A: Summary Page Annex B: Company Background Annex C: Biography Annex D: Scotland's Energy Strategy Annex E: Scottish Government – Renewable Energy Brief</p>

SUMMARY PAGE**Purpose of meeting:**

FM's attendance at the meeting facilitates access to senior decision makers which is critical to encouraging further investment into Scotland. As well as an important relationship building opportunity, the meeting will also enable FM and [REDACTED]

Key Facts:

- Scottish Enterprise supported innovation in oil and gas in 2016/17 to the tune of **£15.9m** awarded to **111** innovation projects with a total project value of **£42m**.
- Scotland has **25%** of Europe's offshore wind and tidal potential as well as **10%** of Europe's' wave resources.
- Scotland is leading the world in the development of deep water offshore wind farm deployment and construction. Scotland is also a world leader in the commercialisation of wave and tidal energy.
- European Marine Energy Centre (EMEC) in Orkney: world's first and only purpose-built, accredited, open-sea testing facilities for marine renewable energy devices.
- Offshore Renewable Energy Catapult - UK's leading technology innovation and research centre for offshore renewable energy technologies. It's Levenmouth Demonstration Turbine in Fife is the world's most advanced, open access, offshore wind research turbine.
- **£20m** available 2018/19 for Energy Investment Fund to support renewable & low carbon energy solutions.

Points for discussion:

- [REDACTED]
- **Discuss Scotland's leading position and ambition in renewable energy and low carbon technologies and demonstrate long-term opportunities for further investment.**
- [REDACTED]
- **Where do SDIC see the opportunities for development in the wider renewable area?**

COMPANY PROFILE

State Development & Investment Corporation (SDIC) was established in 1995 and is the largest Chinese state owned company with a focus on large infrastructure assets including power generation, roads and ports.

With over **30,000** employees it holds a registered capital of **\$3 billion** and total assets of **\$68 billion**, with over **\$1461 billion** in the assets under management in finance. SDIC reported a gross revenue of **\$12.7billion** with a total profit of **\$2.63billion** in 2016 and has been graded A-class in the annual performance assessment conducted by SASAC for 12 consecutive years.

SDIC practices a parent-subsidary management system, with Mr. Wang Huisheng as Chairman and Mr. Yu Jianfeng as President. It has 9 administrative departments and the office of Committee on State-owned Investment Companies of Investment Association of China at its headquarters, as well as 15 wholly-owned subsidiaries. In total, there are 154 tier-3 enterprises or above, which SDIC wholly owns or controls. Six of the enterprises which SDIC controls are public companies and forge the SDIC brand in the Chinese capital market.

Scotland's engagement is mainly with SDIC Power, SDIC's subsidiary focusing on power investment, the most profitable power generator in China in 2015 with renewable energy accounting for **62%** of its capacity. The company is listed on the Shanghai Stock Exchange and is engaged in the investment, development, construction and operation of power projects. The company owns a total installed capacity of over **27GW** across China, more than **60%** of which are renewable energy projects, including hydro, onshore wind and solar. The company is keen to expand geographically, in particular where there is growing expertise of developing and operating large scale offshore wind projects.

GLOBAL STRATEGY

Looking to the future, SDIC is working vigorously to build itself into a world-class investment holding company by developing its four strategic business sectors: infrastructure-related industry, emerging industries, financial services as well as international business.

After 20 years of exploration and endeavour, SDIC has gradually developed a mode of operation featuring equity investment, equity management and equity operation and combination of asset operation and capital operation. Specifically, it is about obtaining equity through investment, increasing the value of invested-in enterprises

through equity management, and gaining profits through equity transfer or equity operation. Eventually, the value of state-owned assets are maintained or increased.

SDIC IN SCOTLAND

In February 2016, SDIC announced **Red Rock Power Ltd** (RRP) as the new subsidiary of SDIC Power Holdings Co. of China, and acquired [REDACTED] worth of UK offshore wind assets previously owned by Repsol. This included a **25%** stake in the Beatrice project (588MW), and **100%** ownership of the Inch Cape project (784 MW), both in Scottish waters.

Beatrice Project

The Beatrice Offshore Wind Farm is a 664MW wind farm developed and constructed by Scottish & Southern Energy (SSE) who will also operate the wind farm. Beatrice is a joint venture between SSE (40%), Copenhagen Infrastructure Partners (35%) and RRP (25%) – obtained through the Repsol acquisition. [REDACTED]

Inch Cape Project

Inch Cape is an approx. 600MW development off the East Coast of Angus and has been under development since 2009. [REDACTED]

Inch Cape was originally consented in 2014, but in 2015 progress stalled due to a legal challenge by the RSPB. A decision in June 2016 found in the RSPB's favour which resulted in the consent decisions being quashed. This decision was appealed by Scottish ministers who successfully overturned the decision in February 2017, however the RSPB then petitioned the Supreme Court. In November 2017, the Supreme Court refused the RSPB's petition to appeal the Court of Session ruling, a decision which reinstated consent for the Inch Cape Offshore Wind Farm – clearing the way for this project to proceed to through development to a final investment decision and to construction.

Since Inch Cape's consent was granted in 2014, there have been advances in technology that reduce both construction and operating costs, [REDACTED]

[REDACTED]

Inch Cape Substation – Cockenzie

Inch Cape's onshore substation was granted planning at Cockenzie in 2014.

East Lothian Council (ELC) acquired the site from Scottish Power in March 2018 [REDACTED]

Meantime, Red Rock has resubmitted a planning application to move the location of the substation away from the sensitive heritage Prestonpans Battlefield area at Cockenzie to be closer to network point and need this permission in place [REDACTED]

[REDACTED]

RECENT ENGAGEMENT

- At the opening of Red Rock Power's HQ in Edinburgh in November 2016, the First Minister met with a delegation from SDIC including Mr Wang Huisheng, Chairman of the Board of SDIC and Mr Hu Gang, Chairman of SDIC Power Holdings Co. Mr Wang Huisheng offers his apologies for not being able to meet you and the meeting will be hosted by Mr Shi, who was not part of the delegation you met in Scotland.
- Greg Clark, Secretary of State for Business, Energy and Industrial Strategy in the UK Govt also met with the SDIC Chairman in Beijing in Dec17.

BIOGRAPHY

Mr. SHI Hongxiang, President of SDIC

- Mr Shi has been the President of State Development & Investment Corporation since January 2018, previously he served as Vice President from 2004.
- He joined SDIC in 1994 and has held a variety of senior positions within the organisation over the years.
- Prior to SDIC Mr Shi was Director of Yalong River Hydropower Development Company, Ltd. (formerly, Ertan Hydropower Development Company, Ltd).
- Mr Shi was not part of the SDIC delegation whom you meet at the opening of their Edinburgh office in 2016.

ENERGY STRATEGY

The Scottish Energy Strategy (published 20 December 2017) sets out a vision for the future of energy in Scotland: *"A flourishing, competitive local and national energy sector, delivering secure, affordable, clean energy for Scotland's households, communities and businesses."*

It will guide the decisions that the Scottish Government, working with partner organisations, needs to make over the coming decades, supporting work already planned or underway to achieve our long-term climate change targets, and to address the impact of poor energy provision.

On Monday [22nd], the Cabinet Secretary for the Environment announced that we are now accepting applications from innovative local energy projects to the £60m worth of funding under the Low Carbon Infrastructure Transition Programme.

We are determined to attract, retain and develop the low carbon innovators who will shape our future

- As announced in the PfG, £60 million is now being made available for accelerating innovative low carbon project delivery, supported by EU funding.
- This builds on the Low Carbon Infrastructure Transition Programme (LCITP) which has allocated around £40 million to 16 low carbon capital projects since 2015.
- This funding represents one of the most significant direct low carbon investments in the last 10 years.
- The fund focuses on three priority areas: integrated energy systems, low carbon heat and ultra- low emission vehicle.
- Support of £100,000 per project to develop investment grade business cases is available. For capital ready projects, maximum of 50% of eligible capital up to £10 million per project is available.

We have published Scotland's first Energy Strategy which sets Scotland on course for an inclusive, innovative and low carbon energy future.

- Our Strategy sets two new and ambitious targets for 2030:
 - The equivalent of 50% of Scotland's heat, transport and electricity consumption to be met from renewable sources, and
 - An increase of 30% in the productivity of our energy use across the Scottish economy.
- The Strategy takes a "whole system" view – across heat, transport and electricity.
- It also focuses on the need for an inclusive transition to our low carbon future, as well as the increasingly important role and potential of local energy systems.
- We have committed up to £80 million to give dedicated support for renewable and low carbon energy infrastructure and innovation in 2018-19.

QUOTE: Oil and Gas UK, statement, Dec 20

"We welcome the announcement by Paul Wheelhouse that the UK oil and gas industry will remain the bedrock of Scotland's future energy system and that building on our industry's strengths is among the six priorities for the Scottish Energy Strategy's 2050 vision.

QUOTE: Claire Mack, Chief Executive of Scottish Renewables, Dec 20

"Scotland's first Energy Strategy heralds a new era for the energy system used by us all, and provides a roadmap for others to follow. The huge ambition of the new target is to be commended."

We have also published our Onshore Wind Policy Statement confirming the vital role that onshore wind will continue to play in our energy future.

- We have a long record of support and success for onshore wind in Scotland.
- Wind will continue to make a valuable contribution to our ambitious targets.
- Onshore wind delivers valuable economic and industrial benefits and we are determined that these should continue - and grow.
- We will maintain the vital balance between consent for new development and protection of Scotland's landscapes.
- We also remain committed to securing benefits from these developments for Scotland's communities, and more opportunities for shared ownership.

Our new 2030 target of 50% of Scotland's energy needs to come from renewables demonstrates our commitment to a clean energy future

- Statistics published by the UK Government in December show in the first three quarters of 2017, renewable electricity in Scotland was 19% greater than the same period in 2016.
- The figures also showed renewable energy was 10% greater than the same period in 2015.
- This means Scotland is on track for a record year of renewable generation in 2017.
- Scottish renewable electricity makes up 24% of the UK renewable electricity output – leading the way in the generation of clean green power.
- We continue to move towards our 100% target for gross electricity consumption from renewable sources.
- Statistics show our progress at 54% in 2016, more than three times higher than in 2006.

Scotland is the home of energy innovation – a living laboratory of ideas.

- Norwegian energy firm Statoil has built the world's largest floating offshore wind farm Hywind off the east coast of Scotland.
- We are home to the world's leading wave and tidal test centre, the world's largest planned tidal stream array and the world's largest tidal turbine.
- During July 2017, the tidal turbines in the Pentland Firth set a new world record for the production of power from tidal stream generation.

The cost of renewables continues to come down and offshore wind is now substantially cheaper than new nuclear.

- The results of the second Contracts for Difference auction proves offshore wind in Scotland is very competitive, and cheaper than new build nuclear at Hinkley C.
- Over 3 GigaWatts of offshore wind awarded to three developments, provides a huge opportunity for the Scottish supply chain.

Over the past 2 years, the UKG has cut support for renewable electricity – jeopardising its future deployment and economic benefit in Scotland

- We continue to call on the UK Government to provide a stable, supportive regulatory regime, sustaining investment and economic / community benefits.
- We want to see support for investment in renewable energy, and a route to market for onshore and remote island wind.
- We are monitoring the UKG Cost of Energy Review – we will push to ensure reform contributes to our Climate Change targets and minimise costs to all.

A strong and vibrant domestic oil and gas industry can play a positive role in supporting the transition to a low carbon economy.

- We continue to work with the industry to maximise economic recovery.
- We also want to ensure that the expertise gained through 40 years of operating in the North Sea makes a valuable contribution to the low carbon transition.
- Oil and gas production from the North Sea is a highly-regulated industry, with some of the comparatively least polluting production methods in the world.
- Scotland is not alone in its support for domestic production of hydrocarbons.
- No other oil or gas producing country in the world has publicly stated any formal intention to leave substantial oil reserves 'in the ground'.

We support Carbon Capture Storage (CCS) as an important decarbonisation infrastructure and essential climate change technology.

- It is vital that the UK Government engages collaboratively with industry and with the Scottish Government to expand their outline plans for CCS.
- Scotland's waters provide the largest carbon storage resource in Europe.
- Couple this with our existing oil and gas capabilities, ready supply chain, and existing pipeline and platform infrastructure.

- Scotland is the best-placed country in Europe to realise CCS on a commercial scale.
- We are supporting the Acorn CCS Project with £100,000 to support the feasibility of the CCS project at St Fergus, which has secured €1.9 million EU funding.
- We are participating in the UK Government Carbon Capture Utilisation Storage (CCUS) Ministerial-led CCUS Council and the CCUS Cost Reduction Taskforce.

Scotland's Energy Efficiency Programme (SEEP) is the cornerstone of our approach with £500 million funding over next 4 years.

- Improving energy efficiency in all our buildings, decarbonising Scotland's heat supply; making energy more affordable and reducing carbon emissions is key.
- In 2018, we will accelerate our work on SEEP, publishing a Route Map and continuing our £0.5 billion investment over the next four years.

OFFSHORE WIND

- On 19 March 2014 consent was granted for adjacent projects by Moray Offshore Renewables Limited (MORL) (1116MW) and the Beatrice Offshore Windfarm Limited (BOWL) (750MW).
- On 10 October 2014 consent was granted to Neart na Gaoithe (450MW), Inch Cape (784MW) and Alpha and Bravo Seagreen developments Firth of Forth (525MW each). All three project have submitted new scoping reports to Marine Scotland seeking to either apply for new consent or a variation of their existing consent.

Subsidy Regime

Project	Developer	MW	CfD	Favoured Turbine
Beatrice (Moray Firth)	SSE (40%) / Copenhagen Infrastructure Partners (35%) / SDIC (25%)	750	FID Enabling Contract for 664MW – secured March 2014 Building out 588MW	Siemens;
Moray East (Moray Firth)	EDPR (76.7%)/ ENGIE (23.3%)	1116	CfD contract for 950MW secured – 11 Sept 2017	MVOW
Neart na Gaoithe (Forth/Tay)	Mainstream	450	CfD contract for 448MW Secured – 26 th Feb 2015	Siemens or MVOW
InchCape (Forth/Tay)	SDIC	784	Targeting CfD Spring 2019	MVOW or Siemens
Seagreen (Forth/Tay)	SSE/Fluor	1050	Targeting CfD Spring 2019	No decision

Binding offers were received for the sale of Neart na Gaoithe in February 2018 however it may be several weeks before the buyer is announced. Subject to the sale the aim is to be fully commissioned between March 2022 and March 2023.

The MORL project will be built over three phases, the first of which will be in 2022/23 at a strike price of £57.50.

Implications of RSPB Judicial Review

On 20 July Lord Stewart ruled in favour of the RSPBs legal challenge against the Scottish Government granted consent for the Neart na Gaoithe, Inch Cape, SeaGreen Alpha and SeaGreen Bravo wind farms, which together would have comprised 335 turbines generating up to 2.3 GW. **This decision was overturned by the Inner House of the Court of Session on 16 May 2017 and refused RSPB's request to appeal to the Supreme Court on 19 July 2017.** The RSPB then appealed directly to the Supreme Court, who refused permission to appeal in November 2017.

Band for innovative offshore wind generation

On 1 April 2014, the Scottish Government introduced **two** new bands for offshore wind:

- A band set at **2.5 ROCs** aimed at supporting generation from offshore test and demonstration sites deploying innovative, new to market turbines; and
- A band set at **3.5 ROCs** for pilot projects consisting of non-fixed turbines – e.g. floating turbines or those deploying “tension line” deployment systems.

A total installed capacity ceiling of **75 MW** will apply to each of the proposed new bands, as a means of limiting the maximum additional cost.

We have also introduced **grace periods** for these bands which, subject to preliminary accreditation by the end of March 2017, will allow additional phases of capacity to be registered until the **end of September 2018** and which will thus qualify for the higher band.

European Offshore Wind Deployment Centre (EOWDC)

Vattenfall are keen to take advantage of the 2.5 enhanced ROC available to test & demonstration projects. The development consists of 11 wind turbines and their connecting cables, sited between 2 and 4.5 km off the Aberdeenshire coast. First foundation installation is due to take place March 2018 with first power expected August 2018.

Floating

Statoil's 30MW **Hywind Scotland** was fully commissioned in Q4 2017 and officially opened by the First Minister on 18 October 2017 off Peterhead.

Kincardine Offshore Wind Ltd is south of Aberdeen and was granted planning permission on 17 March 2017 for the 48MW test site. KOWL are targeting a phased deployment, with the first turbine deployed summer 2018, a further three approx. 12 months thereafter and the final three a further 6 -12 months.

Dounreay Tri received approval on 17 March 2017. A single semi-submersible platform with two 5 MW wind turbines approximately 6 km off Dounreay. The project was planned to be operational by the summer of 2018, however, on 30th June 2017 the project filed for Administration. As BEIS have confirmed they will not extend the ROC deadline, the project is now unlikely to go ahead.

ONSHORE WIND CORE BRIEF

Renewable Electricity Target: The Scottish Government has a target to reach the equivalent of 100% of Scotland's electricity demand to be met from renewable sources by 2020. The latest official BEIS statistics published in December 2017, show that Renewable sources delivered 54.0% of gross electricity consumption in 2016 – down 5.5 percentage points from 59.5% in 2015. However, this remains above the 2015 interim target of 50%

Office for National Statistics released the UK environmental accounts for Low Carbon and Renewable Energy Economy survey (LCRE), the final estimates for 2016 show that in 2016, almost half (45.8%) of the UK's turnover from onshore wind activities was generated in Scotland. This aligns with the fact that the majority of large capacity wind farms are in Scotland.

Onshore wind can provide an important contribution to the renewables mix. BEIS stats show that onshore wind in Scotland had, by the second quarter of 2017 an installed capacity of 7.3GW and had generated 3.23GWh for that quarter.

KEY ISSUES/HOT TOPICS:

1. Onshore wind Policy Statement.
2. SG Energy Strategy.
3. Route to Market.

LINES TO TAKE

1. The Onshore Wind Policy Statement (OWPS) discusses the future of onshore wind in Scotland. It remains our lowest cost renewable energy at scale and so it remains vitally important to our decarbonisation of the energy system.

The OWPS shows continued support to the Onshore Wind sector which makes a valuable contribution to the Renewable targets set out by the Scottish Government, which underlines the continued importance of this established, low cost resource.

We will continue to push for UK-wide policy support for onshore wind and take action to prioritise and deliver a route to market.

2. With the removal of Pot 1 'Established technologies' from the Contracts for Difference (CfD) auction, onshore wind has no route to market. Developers require a steady price for investment and we are supportive of their ask to UKG for a CfD without subsidy.

The UK Government has made it clear that onshore wind will not be included in the next allocation round. The industry is calling for a 'market stabilisation' mechanism or in other words a subsidy-free CfD, which has a strike price equal or below unabated gas when accounting for the capacity market etc.

With the price of offshore wind falling to £57.50 for the delivery year 2022/23 the gap is closing on onshore wind which a Baringa report commissioned by Scottish Renewables predicted a clearing price of £49.50 for 1GW of consented projects.

Subsidy Schemes overview

Renewables Obligation: On June 18th 2015 it was announced that in order to fulfil a manifesto commitment to end *new* subsidies for onshore wind, the RO for this technology would close one year early in March 2016. There was a grace period for those who could demonstrate that they had a grid connection and agreement, land rights and consent, by the date of the announcement. It was later agreed that those developments, which were on appeal on 18th June, but which were subsequently granted consent, would also fall into the grace period criteria. The Scottish Government did not agree that an existing subsidy scheme like the RO counted as a new subsidy.

Contracts for Difference: The UK Government has made it clear that onshore wind will not be included in the next allocation round. Remote Islands may be included, but we are waiting to hear about state-aid clearance. The industry is calling for a 'market stabilisation' mechanism or in other words a subsidy-free CfD, which has a strike price equal or below unabated gas when accounting for the capacity market etc.

Feed-in Tariff Scheme: The response to the 2015 review. A new system of deployment caps means a low number of installations expected in each quarter. In practise, the caps have been allocated for the year ahead.

Number of wind generating sites, turbines and capacity (MW) in Scotland, by technology and planning status as at 5 February 2018

Application Submitted			Awaiting Construction			Under Construction			Operational		
No. of sites	No. of turbines	Capacity (MW)	No. of sites	No. of turbines	Capacity (MW)	No. of sites	No. of turbines	Capacity (MW)	No. of sites	No. of turbines	Capacity (MW)
53	638	2,050	87	975	2,872	24	418	1,110	292	3,473	7,119

Decision Making

For any project below 50MW the decision will be made by the relevant planning authority under the Town & Country Planning Act. For those above 50MW decisions will be made by Scottish Ministers under the Electricity Act (1989).

A Scottish Minister cannot discuss any project with a live application.

Onshore Wind Policy Statement

On 20 December 2017, we published the Onshore Wind Policy Statement alongside our overarching Energy Strategy. The OWPS shows continued support to the Onshore Wind sector which makes a valuable contribution to the Renewable targets set out by the Scottish Government, which underlines the continued importance of this established, low cost resource. **Key points at annex A for ease of reference.**

Studies

House Impacts: The Scottish Government commissioned ClimateXChange to conduct a study on the impact of wind farms on house prices, which was published in 2016.

The project set out to test whether there is a significant difference in the average house price growth of properties in close proximity to a wind farm compared with properties that are not near a wind farm. The analysis takes into account the dates when individual turbines become operational, considering the before and after effects of wind turbine construction.

The study found that there are no consistent negative effects on house prices and in some instances the price effect was positive. This differs from the results of the study in England where negative results were found. Our study has built on Gibbons' methods, but we believe the methods used in our study greatly increased the resolution and precision of the data in a number of ways. These improvements are listed below:

Wind Impacts: The Scottish Government commissioned ClimateXChange to look at the impacts of a wind farm and how it compares to what was predicted and what has occurred in practice. This study has now concluded and the Scottish Government are working on the actions from the report.

Other issues

Wild land: SPP details wild land areas as Group 2: areas of significant protection.

The SPP does not impose a blanket ban on development in wild land areas. It states that development on wild land may be appropriate in some circumstances, where it can be demonstrated that significant effects can be substantially overcome by siting, design or other mitigation.

Regarding section 36 determinations, there have been no applications refused wholly on the basis of Wild Land policy, but it has contributed, along with other factors to refusals. Therefore, although we envisage that wind developments on wild land may be appropriate in some circumstances, we may also conclude, on balance, that the impacts of some proposed developments cannot be outweighed by the wider policy benefits.

Remote Islands Wind – CfD

On 11 October, under the Clean Growth Strategy, the UK Government confirmed that wind projects on the remote islands of Scotland will, subject to state aid approval, be eligible to compete in the next Contract for Difference (CfD) auction.

- **Remote Island Wind (RIW)** will be defined as a “**less established technology**”, competing in a Pot 2 auction **against offshore wind, marine and biomass technologies**.
- The **next auction is anticipated in Spring 2019** but this will depend on an application for State Aid approval. This has been submitted to the European Commission and could take 6-12 months.
- **UKG launched a public consultation in December** which will consider the CfD mechanism as a whole and **seek views on how support for projects on the islands will deliver “direct benefits to the local communities”**, as identified in the Conservative Party manifesto.
- **All key delivery partners are engaged in discussions on the timescale for delivery of projects**. Anticipated connection dates for the Western Isles and Shetland are 2023 and 2024 respectively. Ofgem is considering the regulatory regime for delivery of transmission links to the islands.
- **We will continue to work with UKG and all RIW stakeholders** to ensure that this announcement and intent is translated into delivery on the islands.

SUMMARY OF KEY POINTS OF THE OFFSHORE WIND POLICY STATEMENT

Ministerial Foreword

- Long record of support and success for onshore wind in Scotland – will continue to make valuable contribution to our ambitious targets.
- Valuable economic and industrial benefits of onshore wind – determined that these should continue, and grow.
- Will maintain vital balance between consent for new development and protection of Scotland’s landscapes.
- Consulting soon on Consent Unit resourcing, and intend to pursue significant changes and improvements to relevant legislation.

Route to Market

- Reaffirms view that new capacity should be developed at no additional cost to consumers – but that UK Government must enable this through competitive auctions which protect against wholesale price fluctuations.
- Underlines that SG will also use every power at our disposal to create route to market (e.g. possible PPA provision through national electricity contract).
- Will also continue to support development across public estate, where possible.
- Confirms that efficiency will NOT be included as material consideration through section 36 process
- Explicitly acknowledges market shift towards larger turbines, and support for these being accommodated in landscapes where no significant adverse impacts.
- Underlines continuing importance of (and our support for) innovation, particularly potential of storage to improve prospects and performance of onshore wind.

Repowering

- Sets out Scottish Government’s clear support in principle for repowering at existing sites.
- Proposes that we should continue to assess such applications on a case by case basis, to ensure correct and proportionate approach to environmental assessment.
- Clarifies that duration of wind farm operating period is not fixed at 25 years, and is a matter for developers to consider and discuss at application stage.
- Stresses need for shared ownership and community benefit to form part of any repowering discussions and proposals.

Strategic Approach to Development

- Confirms that current approach remains the right one (opportunities for collaboration identified and pursued on a case by case basis).
- Notes scope for current planning reform proposals to enhance opportunities for collaboration through stronger co-ordination at regional level.

Barriers to Deployment

- Underlines SG determination to ensure that network charging and regulation takes Scottish interests and issues fully into account.
- Looks to civil aviation sector to play greater part in managing and resolving radar issues.
- Makes clear SG intention to unlock current impasse presented to developers and projects by MoD's approach to financial risk re air defence radar solutions.
- Confirms decision to retain current approach and limits to development zone around Eskdalemuir seismology array.

Protection for Residents and the Environment

- States intention to continue monitoring design and effectiveness of Peatland Policy Statement and Carbon Calculator, while reiterating SG protection for wild land areas.

Community Benefits / Shared Ownership

- Reaffirms importance to SG and ministers of meaningful community benefits and shared ownership opportunities and target.
- Acknowledges developer feedback on issues raised by changes in support mechanisms and financial climate.
- Confirms intention to pursue these issues in more detail as part of reviews of Good Practice principles for community benefit / shared ownership in 2018.

BRIEFING FOR THE FIRST MINISTER

MEETING WITH THE MR LUO SHUGANG, MINISTER OF CULTURE AND TOURISM

10 APRIL 2018

Key message	<ul style="list-style-type: none">• China is a priority country for Scotland's international engagement and developing strong relations with the Chinese Government is important.
What	<p>You will meet the Minister of Culture and Tourism for a round table discussion including the items below.</p> <p><u>Agenda</u></p> <ul style="list-style-type: none">• Reflect on the cultural activity taking place in both nations since they last met, including:• the Cultural MOU renewed and signed with Mr Luo during the First Minister's last visit to China in 2015• a strong China season at the Edinburgh Festivals in August and VP visit to Scotland to participate in a cultural conversation at the National Gallery of Scotland in December 2017• Signing of MOU by Edinburgh Festivals/Shanghai Arts at the P2P in London and forthcoming signing by EIF and Shanghai Festival on Wednesday• [REDACTED]• Extend a person invitation (and letter) to attend the 4th Edinburgh International Culture Summit on 22-24 August 2018• YOYP and how we value the views of our young people to shape our cultural landscape
Why	<ul style="list-style-type: none">• Scotland has a cultural MOU with China which was signed with Mr Shugang during your visit in 2015• Demonstrating strength of commitment to cultural co-operation and exchange by bringing a delegation of cultural leaders from Scotland to China.
Who	Mr Luo Shugang [MR LUA] , Minister of Culture and Tourism
Where	Ministry of Culture
When	Tuesday 10 April 2018 16:00-16:45
Media	N/A

Supporting officials	[REDACTED] [REDACTED] [REDACTED] SDI Director Asia Pacific, [REDACTED]
Attached documents	Annex A – Biography Annex B – Scottish Cultural Leader’s Delegation Annex C – Cultural MOU between Scotland and China Annex D – Culture Sector MOUs [REDACTED] Annex F – Cultural Heritage Annex G – Edinburgh International Culture Summit

BIOGRAPHY

Luo Shugang, born May 1955, has been the Minister of Culture since December 2014. He formerly served as executive deputy director of the Publicity Department of the Communist Party of China.

Luo is a native of Nangong, Hebei province. He began working in February 1971, and joined the Communist Party of China (CPC) in September 1981. He has a master's degree from the Central Party School of the CPC. Luo is a full member of the 18th Central Committee of the Communist Party of China

As a senior propaganda official, he spearheads the government's drive to project China's soft power abroad. Luo has written extensively in party publications on reform of the culture sector, proposing the area be further opened up and its overseas links expanded to burnish China's soft power. Introducing the nation to the world as a modern major country has been part of President Xi Jinping's much-touted "China Dream".

SCOTTISH CULTURAL LEADER DELEGATION

- The British Council China have invited a delegation of cultural leaders to China, in parallel with First Ministers visit, funded through the Scottish Government supported Connections Through Culture fund.
- They will be in attendance at the Ministry of Culture meeting and continue discussions with their counterparts when the principals leave the meeting.

Jenny Niven is Head of Literature, Languages and Publishing at Creative Scotland, Scotland's National funding and development agency for the Arts, Screen and Creative Industries. She manages relationships with leading Scottish cultural institutions such as Edinburgh International Book Festival, Scottish Book Trust, Scottish Poetry Library and Publishing Scotland, and works with individual writers across the country. She was formerly Associate Director at the Wheeler Centre for Books, Writing and Ideas in Melbourne, the centrepiece of the City's designation as a UNESCO City of Literature. From 2004-2010 she lived in Beijing, where she was inaugural director of the city's first international book festival and literary events program, The China Bookworm International Literary Festival. In Winter 2016-17 Jenny was interim director of the Edinburgh International Book Festival.

Professor Christopher Breward is Director of Collection and Research at the National Galleries of Scotland. He was trained at the Courtauld Institute and the Royal College of Art, London and has previously worked as Head of Research at the Victoria & Albert Museum, London and as Principal of Edinburgh College of Art, University of Edinburgh. His published interests include the relationship between Art and Fashion, Visual and cultural histories of masculinity and histories of city life. Whilst Principal of Edinburgh College of Art he was part of the team that developed an innovative partnership between the University of Edinburgh and Donghua University, Shanghai and is soon to publish an edited collection of essays on Shanghai Style.

Fiona Logue: After graduating with a degree in English Literature and History of Fine Art, Fiona was Assistant Curator at the Smith Art Gallery in Stirling, Curator of Collins Gallery at Strathclyde University in Glasgow and Assistant Art Director at the Scottish Arts Council. An interest in sponsorship led to undertaking a Masters in Business Administration following which she became Sponsorship Manager, then Advertising and Communications Manager with Standard Life Assurance Company before moving to the Royal Bank of Scotland where she held roles in the Credit Card Division in Customer Marketing, Customer Acquisition and New Product Development. Keen to return to her cultural roots she became Chief Operating Officer of the Edinburgh International Science Festival through which she became a

board member of Festivals Edinburgh. She became CEO and Director of Craft Scotland five years ago during which time the organisation has received RFO status from Creative Scotland and has supported and promoted the work of makers from Scotland nationally and internationally. She is a board member of Fife Contemporary and on the committee of her local tennis club. She has two grown up daughters and lives with her husband in Fife.

Catherine Cassidy worked as a professional contemporary choreographer and community dance artist before founding her dance company Topiary in 1999. The company created new dance and music performances for children and young people and toured the UK with funding from the Arts Council of England and the Scottish Arts Council. She has worked as an independent specialist advisor for both funding bodies. Since 2010 Catherine has led the engagement team at Scottish Ballet and pioneered the development of a new Dance Health programme which includes weekly ballet sessions for over 100 participants each week, Scottish Ballet's Elder Dance Performance Company (SBEC), 3 weekly Dance for Parkinson's classes in Edinburgh and Glasgow and the new Time to Dance dementia programme. Research is underway to establish a dance for Multiple Sclerosis project due to commence in autumn 2018.

Brenna Hobson is an experienced arts administrator and producer. Moving from Australia to the United Kingdom in June 2017, she is currently the Executive Producer and Deputy Chief Executive for the National Theatre of Scotland, on the board of UK Theatre and a Steering Committee member for Culture Counts. Prior to this she was the Executive Director and co-Chief Executive for Belvoir in Sydney, Australia's fourth largest theatre company. Before she started at Belvoir she was the General Manager of Jigsaw Theatre, a children's theatre in Canberra and Production Manager for Bangarra Dance Theatre, Australia's premier indigenous performing arts organisation. Brenna's previous board roles include; Company Secretary of the Belvoir St Theatre Limited Board, membership of the Company B Ltd and Arts on Tour boards as well as a membership of the Seymour Centre's Artistic Advisory Panel and the Walsh Bay Arts Precinct steering committee in Sydney. Brenna holds a Masters of Management (Arts Administration) from the University of Technology, Sydney. She served on the Sydney Opera House Trust from January 2014 to May 2017 where she was on the Audit and Risk Committee.

Rucelle Souter has been Head of Finance with The Royal Edinburgh Military Tattoo four years. Rucelle is a Chartered Accountant (ICAS) and Chartered MCIPD with 20 years' experience in a variety of private, public and voluntary sector organisations. Rucelle is also the Company Secretary and heads up finance, IT, HR, legal, governance, IP rights and anything else the organisation throws at her. [REDACTED]

Other participants from the Scottish culture sector, who are in China independently of the core delegation will join them at key points.

- Authors Louise Welsh and Catherine McFall will be taking part on an Muriel's Spark event and will join in Shanghai.
- Joanna Baker EIF, in Shanghai

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE MINISTRY OF CULTURE OF THE PEOPLE'S REPUBLIC OF CHINA AND
THE SCOTTISH GOVERNMENT
ON THE PROMOTION OF CULTURAL COLLABORATION AND EXCHANGE**

On 5 December 2011, the then First Minister of Scotland, the Rt Hon. Alex Salmond, met with China's Minister of Culture, Cai Wu, in Beijing to formally sign a Cultural Memorandum of Understanding (MOU) between China and Scotland to increase the scope and level of cultural exchanges between both countries.

Both Governments have witnessed a substantial increase in the level of cultural interactions, exchanges, collaborations and networks since 2012 and have subsequently agreed to renew and refresh this MOU.

In accordance with the Agreement between the Government of the People's Republic of China and the Government of the United Kingdom of Great Britain and Northern Ireland in the fields of Education and Culture, signed in London on 1 November 1979, the subsequent creation of the Scottish Government with devolved responsibility for culture, and inspired by the strengthening relationship between their two countries, The Ministry of Culture of the People's Republic of China and the Government of Scotland (hereinafter referred to as "The participants") agreed to renew the following Memorandum of Understanding which sets out that the participants wish to encourage greater collaboration and exchange between their respective national cultural organisations and bodies, festivals, artists and practitioners.

Definition of Culture

1. For the purpose of this Memorandum of Understanding 'culture' will be defined as including, but not restricted to, all performing and visual arts, museums and collections, literature, publishing, film, art and crafts, built heritage, music, software design, animation and gaming.
2. The participants recognise that a nation's culture can add significant value to their educational, academic and business activities. It helps articulate their distinct national identity and enhances mutual understanding between countries, creating an atmosphere of respect, trust and celebration. It also plays a key role to supporting and stimulating sustainable economic growth.

Cultural Activity

3. Cultural connections, collaborations, performances and exchanges between China and Scotland have significantly increased and deepened through the signing of an MOU in 2011. The citizens of both countries continue to show a growing interest in each other's unique cultures and have a strong sense of pride in their own. There are many examples of cultural activity between China and Scotland, over the period of the MOU, which supports one or more of the four key areas laid down in the original MOU of Cultural Collaboration; Best Practice Exchange and Talent Development; Educational Outreach; and, Networking opportunities. Examples of these are:

- In 2012, The Scottish Ten project 3D laser scanned Jing Tomb and Xiao Tomb of the expansive Eastern Qing Tombs, part of the Imperial Tombs of the Ming and Qing Dynasties World Heritage Site, providing the Chinese Government with lasting documentation of the tombs for future preservation and conservation.
- The National Theatre of Scotland collaborated with Chinese playwrights to produce a series of 3 plays which toured in China and Scotland during 2013.
- Nanjing Museum and RCAHMS developed a cultural partnership '*Tale of Two Cities*' based on the story of how Edinburgh New Town and Nanjing have developed over the centuries. This exhibition was held in Nanjing, attracting one million visitors, and winning the International Arts and Business Scotland Award in 2014.
- Three exhibitions from China were showcased in Scotland during 2014 including the outstanding '*Ming the Golden Empire*' at the National Museum of Scotland, '*Lanterns of the Terracotta Warriors*' and '*Poster Art of Modern China*' hosted by University of Edinburgh.
- 2015 will see a major exhibition of Scotland's contemporary artists at the Himalayas Gallery in Shanghai.
- Chinese and Scottish productions toured extensively over the last four years. Performing in Scotland were Beijing People's Art Theatre's '*Tragedy of Coriolanus*', Beijing Red Poppy Ladies Percussion Group, Beijing Students Golden Sail Art Troupe, etc. Performing in China were National Theatre of Scotland's '*Dunsinane*', Scottish Ballet's '*Romeo and Juliet*', Royal Scottish National Orchestra, Scottish Chamber Orchestra, Scottish Ensemble and Janis Claxton Dance.

Areas for continued Co-operation

4. The four key areas originally identified for opportunity to further develop cultural engagement between China and Scotland still remains relevant. They focus activity in the areas of Cultural Collaboration, Best Practice Exchange and Talent Development, Educational Outreach and Networking Opportunities. These offer their respective cultural communities the opportunity to encourage and enable future engagement, establish and deepen sustainable relationships and foster partnerships which will continue to benefit both China and Scotland.

4.1 Cultural Collaboration

The participants believe that future cultural collaboration between Scotland and China is one of the best indicators for the respect, admiration and quality of our reciprocal cultural exchange. This Memorandum of Understanding encourages:

- Chinese and Scottish creative practitioners and associated companies actively to explore opportunities to work together on new productions and new interpretations of existing productions in theatre, dance, the visual arts, music, film, literature and animation technology
- exchanges of exhibitions, collections and art that have an artistic, informative, historic and creative nature, and promote greater understanding and interest in our respective national identities
- greater collaboration and synergy between respective festivals and national showcase events
- Promote exchange and collaboration in the fields of literature and publishing, and to encourage the translation and dissemination of the outstanding literary works of each other's countries
- Promote cooperation in cultural heritage safeguarding, archaeological research and museum interactions, etc.

4.2 Best Practice Exchange and Talent Development

The participants are recognised internationally for the value they place on education and exporting and sharing knowledge in key areas. Participants will endeavour to work collaboratively to identify opportunities to strengthen their cultural infrastructure, foster knowledge transfer through exchange of information, professionals, training and exhibitions. This Memorandum of Understanding encourages:

- development of wider cultural policy, for example addressing socio-economic issues and promoting the nations' diversity and reputation
- the sharing of specific curatorial, digitisation, publishing, animation and leisure software development and conservation knowledge and skills
- the sharing of specialist elements of a range of production techniques, such as lighting, sound, graphics, animation, cinematography and special effects
- improvement of teaching skills and techniques in the field of creative educational, development of a range of educational activities in music (both instrumental and vocal), dance, theatre, art, graphics and costume design areas
- the promotion of specialised creative sector courses specific to both China and Scotland which can contribute to the development of exceptional individual talent.

4.3 Educational Outreach

The participants place significant value on the importance of developing their young people and investing in nurturing future talent. Children and young people benefit from exposure to their own and other countries' culture as part of their education. This enhances their confidence; develops key life skills and literacy; develops social awareness and understanding of each other's issues. There are extensive examples of the positive outcomes from such activity. This Memorandum of Understanding will:

- place great importance on the value of visiting companies and cultural organisations who consider innovative ways to engage with schools, colleges and other educational institutions, exposing young people and others to culture and promote the socio-economic benefits that it brings
- encourage Chinese and Scottish cultural organisations to be active in supporting education outreach and consider ways of achieving greater engagement.

4.4 Networking Opportunities

The participants recognise the value of creating opportunities for cultural professionals to engage with their international counterparts. Such relationships lead to much greater engagement and facilitation of the other three themes. The participants will seek to encourage and actively assist such opportunities through:

- supporting independent collaborations through a variety of conduits
- maximising potential networking opportunities around Ministerial visits and Government delegations
- reciprocal visits of representatives of cultural institutions and companies to participate in congresses, conferences, symposium and other similar events.

Entry into Effect and Termination

- (i) This Memorandum of Understanding will enter into effect, and remain effective from the date of its signature unless a new Memorandum of Understanding is signed.
- (ii) Either of the participants may terminate this Memorandum of Understanding at any time by giving six-month written notice to the other participant.
- (iii) The participants may modify this Memorandum of Understanding at any time by mutual agreement.
- (iv) It is agreed that following the signing of this Memorandum of Understanding, contact will be maintained between the two participants. It is further agreed that named contacts in the Ministry of Culture and Scottish Government would be identified to monitor progress.

Signatories

Signed in Beijing on 28 July 2015 in duplicate in the Chinese and English languages, both texts having equal validity.

Luo Shugang

Rt Hon Nicola Sturgeon

**For the Ministry of Culture of
The People's Republic of China**

For the Scottish Government

CULTURAL MOU BETWEEN SHANGHAI MUNICIPAL ADMINISTRATION AND FESTIVALS EDINBURGH (SIGNED DURING P2P, DEC 2017)

- On 28 July 2015, the First Minister and Luo Shugang Chinese Minister of Culture renewed the SG/China Cultural MOU in Beijing. The renewed MOU was broadly similar to the MOU signed in 2011 with more emphasis on digital; skills development for the performing arts; and co-operation in safeguarding heritage, archaeological research and museum interactions. At the same time, Fergus Linehan, Director of Edinburgh International Festival signed an MOU with the Chinese International Culture Association.
- During the P2P UK/China visit in December 2017, Vice Premier Liu Yandong visited Edinburgh and attended a cultural conversation event at the National Gallery of Scotland along with Ms Hyslop. As part of the P2P, Edinburgh Festivals signed an MOU with the Shanghai International Festival in London.
- In 2017, the Centre for Shanghai International Film Festival organised "China Focus", a group of seven acts which travelled to Scotland with the support of China's Ministry of Culture and Scottish Development International.
- The Edinburgh International Festival are planning to secure two performances from China, for their festival in 2019 and will sign an MOU with Shanghai Arts Festival for 'Rites of Spring' during First Minister's visit.
- Scottish Ballet tour of 'Hansel and Gretel ' to HK, Macau and China.

EDINBURGH INTERNATIONAL FESTIVAL (EIF)

- An MoU between Edinburgh International Festival and the China International Cultural Organisation was signed during First Minister's visit in 2015.
- Festivals Edinburgh (Julia Amour) signed an MOU with the Shanghai International Festival as part of the People to People dialogue visit in December 2017
- Following a visit by Roy Luxford to the Shanghai International Festival's Performing Arts Fair in 2017, the EIF we were able to see work in progress excerpts of Yang Liping's interpretation and extension of Stravinsky's Rite of Spring and entered into conversations with Sadlers Wells to sign on as co-producers giving them the rights to premier the work in England and Scotland.
- This has now been agreed, and the work will feature at the 2019 Edinburgh International Festival (as well as at Sadlers Wells).

- This will be announced in Shanghai as proof of the EIFs commitment to delivering on the MoU that were signed in 2015 and to support partners at the Shanghai International Festival and the Peacock Contemporary Dance Company (Yang Liping's company), raising their profile with Shanghai Mayor and senior officials
- The MOU will be signed by Joanna Baker, MD of the EIF and, either the Director of the Shanghai International Festival, or the Director of the Peacock Contemporary Dance Company witnessed by the Mayor of Shanghai and the First Minister.
- They will show a three minute film of the piece at the Scotland is Now reception

About the EIF

- The Edinburgh International Festival is one of the world's foremost festivals of performing arts, showcasing work of the highest standards from around the world to a global audience in Edinburgh every August.
- The programming of the Rite of Spring is a mark of the commitment to showing contemporary Chinese work to our global audience in Edinburgh in August 2019.
- This has been facilitated by the International Festival's MOU with the China International Cultural Organisation, signed in the presence of the FM in 2015
- It has also been helped by the MoU signed by Festivals Edinburgh, a body representing 11 of Edinburgh's major festivals, and the Shanghai International Festival in late 2017
- Scotland is proud of the role that the International Festival plays in showing Scotland's welcome to the world's cultures, and it's commitment to collaborate globally.

[REDACTED]

CULTURAL HERITAGE

Top Lines

- We have a diverse and vibrant historic environment sector in Scotland.
- Scotland's historic environment is part and parcel of our daily lives. It is a catalyst for economic growth, driving tourism, regeneration and sustainable development and fuelling improvements.
- Scotland's historic environment includes thousands of historic buildings and monuments as well as many historic landscapes, gardens and battlefields.
- Our historic environment attracts millions of visitors each year and creates a unique character and sense of place, generates employment opportunities and provides the inspiration for learning and education initiatives.
- It contributes to the economic and social well-being of Scotland, and as such its ongoing protection and enhancement is of great importance.
- We want Scotland's historic environment to be better known and understood. It is continually evolving in the face of better understood opportunities and threats, changing social attitudes, wider development pressures and factors such as climate change. Managing this change requires a robust and detailed understanding of the historic environment and the context of this change.

Key Facts

- The historic environment:
 - supports around 55,000 full-time equivalent jobs (including both direct and induced effects).
 - Contributes in excess of £2.3 billion to Scotland's economy (around 1.5% of total spend in Scotland)
 - Benefits from at least 17,100 volunteers
 - Attracts around 15 million visitors each year
- £1.2 billion (including grants) was spent on repairing and maintaining the historic environment in 2015/16
- Between 2006 and 2016 Historic Environment Scotland awarded grants of more than £140 million that assisted repairs of over £591 million, evidencing the leverage that historic environment investment can deliver
- Scotland is ranked 12 out of 50 nations for its reputation in cultural heritage
- Those who visited a historic site were over 50% more likely to report a high life satisfaction than those who did not
- Historic Environment Scotland is the lead public body for the historic environment
- Historic Environment Scotland is a significant contributor to education, skills and wellbeing programmes. In 2017, more than 100,000 learners participated in activities supported by HES access schemes, apprenticeships, community projects and inclusive learning programmes.

- Historic Environment Scotland recognise Scotland's heritage for the future, compiling and publishing about 56,000 designation records, providing advice about Scotland's designated sites and responding to 4,000 requests for advice.
- In Scotland there are:
 - 6 world heritage sites; 47,288 listed buildings; 8,164 scheduled monuments; 663 conservation areas; 377 designed gardens and landscapes; 8 Historic Marine Protected Areas; 7 scheduled wrecks; 39 nationally important battlefields
- Most (90%-95%) of the historic environment is undesignated. These historic sites provide important contextual information, which helps us better understand designated sites.

EDINBURGH INTERNATIONAL CULTURE SUMMIT 22-24 AUGUST 2018

Key Points

- The Edinburgh International Culture Summit 2018 will be held at the Scottish Parliament, Edinburgh, from **Wednesday 22 – Friday 24 August 2018**.
- The Scottish Government are a key partner and is committed to the Edinburgh International Culture Summit this August.
- The Scottish Government is proud to support and host the fourth Edinburgh International Culture Summit and we look forward to welcoming delegates from across the Globe.
- The proposal is that Youth Participation is the overarching theme that will underpin the programme for 2018. The themes that the EICS programmes in 2018 are **Culture and Wellbeing, Culture and Investment and Culture in a Networked World**.
- **Invitations were issued Monday 12th March.**
- Scottish Government will provide £100,000 in cash and between £30,000-£50,000 as in-kind support.
- Culture Summit 2016 welcomed 127 delegates from 41 countries. A further 90 international participants attended and contributed to Summit 2016.

Background

The Edinburgh International Culture Summit is a biennial event which brings together Government Ministers and policy makers from across the globe with artists and arts leaders, giving them a confidential forum to discuss substantial issues of mutual interest.

Set against the backdrop of the Edinburgh Festivals and building on the success of previous Summits, the 2018 Edinburgh International Culture Summit will bring together Ministers, artists and arts leaders from around the world in a dynamic forum for developing arts and cultural policy.

Following the success of the youth programme at Summit 2016, a more integrated, international participation of young people is planned this year, in recognition of the designation of 2018 as Scotland's Year of Young People.

The Summit is delivered via a partnership of the 5 founding partners (Scottish Government, Scottish Parliament, British Council, the Edinburgh International Festival and the UK Government's Department of Culture, Media and Sport) and the independent charity, the Edinburgh International Culture Summit Foundation.

To the best of our knowledge, there is no comparable forum in the world which offers the opportunities afforded by the Edinburgh International Culture Summit such as the opportunity to bring together politicians, policy-makers and artists to talk openly, share experiences and find new ways to inspire positive and creative change.

By sharing experiences we can learn a huge amount from each other, generate ideas, gain insights and make connections. And by doing that, we can help each other in our shared mission - to celebrate the arts; promote international understanding; and ensure that culture enriches and acts as a bridge between the lives of all of our peoples.