

EU ENGAGEMENT REPORT	
Minister	First Minister
Type of engagement	Ministerial meeting at the Arctic Circle Forum
Date	20/11/2017
Who	Poul Michelsen, Minister for Foreign Affairs, Faroe Islands
Key Points	<ul style="list-style-type: none"> • Discussion opened with PM outlining connections between Faroes and Scotland, before turning quickly to Brexit. PM outlined the constitutional powers Faroes has and that whilst not responsible for foreign policy, is responsible for things such as fishing quotes and trade etc. PM also advised that Faroes having a referendum to update its constitution over the next year. • FM responded by stating that trade issues would become more controversial post Brexit. Opportunities such as the Forum are useful for growing Scotland's international connections with likeminded countries. • In relation to Brexit, FM advised that many issues are still unclear, with the UK Govt struggling to reach consensus. It was also questionable whether the UK had done enough on exit issues, one example being companies lacking information about future trading environment which was already having an economic impact. • FM talked about the economic challenges Brexit would bring, particularly to the UK's service based economy. PM stated Brexit would be a challenge but felt it would be a good thing. For the Faroes, there is a feeling that outwith the EU it has power, but inside it would have none. • PM then asked about independence. FM said still a live issue but immediate focus on Scotland's position in Europe. • Meeting closed with PM inviting FM to the Faroes.
Comment	[Redacted]
Actions	<ul style="list-style-type: none"> • Provide advice to FM on attendance at upcoming Arctic Circle Forum in Torshavn, Faroe Islands.
Attending Official(s)	<p>Karen Watt, Director for External Affairs [Redacted]</p>
Copy List	<p>Cabinet Secretary for Culture, Tourism and External Affairs Minister for International Development and Europe Minister for UK Negotiations on Scotland's Place in Europe DG Strategy & External Affairs Karen Watt Mike Neilson Frank Strang [Redacted] Liz Lloyd Katy Bowman</p>

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EU ENGAGEMENT REPORT	
Minister	First Minister
Type of engagement	Ministerial meeting at the Arctic Circle Forum
Date	20/11/2017
Who	Gudlaugur Thor Tjordarson, Minister for Foreign Affairs
Key Points	<ul style="list-style-type: none"> • [Redacted] • Discussion turned to Brexit, GT was in Brussels last week and met Barnier and UK officials. Feels current discussions should be easy to conclude but held up politically, feels focus should be on trade barriers in Europe. The FM reflected that UK now under time pressure for negotiations to move to next phase and that trade barriers were previously unthinkable between UK and EU. • [Redacted] • FM stated that Brexit not easily resolvable however acknowledged the larger geopolitical issues facing the West. Reiterated a Europe of common values. • GT [Redacted] Feels Iceland can be an example on many issues to Scotland and the UK, for example Iceland the only OECD country to have net taxes from fisheries, all others subsidise. • GT emphasised that Iceland keen to develop links with Scotland. FM agreed, and reinforced the message that Scotland keen to explore economic opportunities and develop links related to Arctic issues.
Comment	[Redacted]
Actions	<ul style="list-style-type: none"> • N/A
Attending Official(s)	Karen Watt, Director for External Affairs [Redacted]
Copy List	Cabinet Secretary for Culture, Tourism and External Affairs Minister for International Development and Europe Minister for UK Negotiations on Scotland's Place in Europe DG Strategy & External Affairs Karen Watt Mike Neilson Frank Strang [Redacted] Liz Lloyd Katy Bowman [Redacted] [Redacted] [Redacted]

EU ENGAGEMENT REPORT	
Minister	First Minister
Type of engagement	Ministerial meeting at the Arctic Circle Forum
Date	20/11/2017
Who	Samuli Virtanen, State Secretary Foreign Affairs, Finland.
Key Points	<ul style="list-style-type: none"> • SV thanked FM for hosting the Forum, keen to enhance cooperation with Scotland. FM stated Arctic Circle work was good avenue for this. SV highlighted the babybox and education as key areas for collaboration and emphasised Scotland's similarities to Nordic countries. • SV asked about Brexit, highlighted he had visited London recently and keen for Scottish perspective. FM outlined that Brexit process looked to many to be chaotic on the UK side and there was a need for greater clarity. • SV questioned whether the Scottish voice was being heard currently. FM responded that ScotGov was engaging in good faith, but was not always being heard, with big implications for Scotland. Companies growing anxious. Scottish voters voted to remain. • SV asked about public sentiment, noting the 62% of Scottish voters voting to remain. FM felt sentiment was still in favour of remain in Scotland. • SV stated Finland was very disappointed by the result, losing a key partner in the EU with the UK exiting. The priorities now for them in the negotiations were on trade, as Finland is just now recovering from financial crisis and relies heavily on trade. Security was also an issue and they are keen to ensure on-going cooperation following the UK's exit. • FM asked about current political situation in Finland. SV noted health reform was a current priority of the Govt. The Finns are also now recovering from harsh austerity measures instigated in 2009 but which have aided recovery. Next elections will be held in 2019. • SV also touched on Finland's Chairmanship of the Arctic Council, which they started earlier in the year running through to 2019. He stated he looked forward to closer engagement with Scotland on Arctic cooperation.
Comment	[Redacted]
Actions	<ul style="list-style-type: none"> • N/A
Attending Official(s)	Karen Watt, Director for External Affairs [Redacted]
Copy List	Cabinet Secretary for Culture, Tourism and External Affairs Minister for International Development and Europe Minister for UK Negotiations on Scotland's Place in Europe DG Strategy & External Affairs

OFFICIAL - SENSITIVE

[Redacted]	Mike Neilson
	Frank Strang
[Redacted]	Liz Lloyd
	Katy Bowman
[Redacted]	[Redacted]
	[Redacted]