

1.

Cabinet Secretary for Constitution, Europe and External Affairs – meeting with Australian High Commissioner – 10 November 2020

Attendees

Cabinet Secretary for the Constitution, Europe and External Affairs
George Brandis QC, His Excellency, Australian High Commissioner to the UK
REDACTED INFORMATION

Introduction

1. The Cabinet Secretary thanked the High Commissioner for reaching out to arrange the discussion. REDACTED INFORMATION

Reflections on COVID-19

2. MR invited GB to reflect on the Australian response to COVID. REDACTED INFORMATION

3. MR explained Scotland had almost eradicated the virus over summer before a resurgence which was driven initially by the resumption of overseas travel. REDACTED INFORMATION

Aus-UK Free Trade Agreement

4. MR invited the High Commissioner to update on the progress of the Aus-UK Free Trade Agreement. REDACTED INFORMATION

5. REDACTED INFORMATION

6. MR welcomed the appetite to develop further trade opportunities, though explained the Scottish Government did have some concerns with the initial scoping assessment published by UKG given the potential impact of food and agricultural sectors. MR noted the importance of Geographical Indicators to Scotland

7. MR suggested officials should follow up discussion around the Space industry with a view to a follow up Minister to Minister discussions in due course. MR also highlighted the Australian British Chamber of Commerce recent trade missions to the UK on both Fintech and Infrastructure, noting Scotland would be keen to attract these UK bound delegations north to discover Scottish investment opportunities. REDACTED INFORMATION

8. REDACTED INFORMATION

Culture

8. MR noted his disappointment that the Year of Scotland in Australia 2020 had unfortunately been postponed due to the pandemic. MR explained the programme was set to be the largest showcase of traditional Scottish Music heritage in Australia ever and invited the High Commissioner to suggest any potential routes available to support the delivery of the programme in 2021. REDACTED INFORMATION

EU Withdrawal Scotland's Constitutional Future

9. MR explained earlier in the day he gave evidence to the UK House of Lords Committee on common frameworks and set out the threat to devolution posed by the UKG Internal Market bill. MR noted the bill undermine the ability of the Scottish Parliament to regulate to protect health, safety and environmental standards and confirmed the Scottish Government's intention to challenge the bill at every opportunity. MR noted this is a common cause shared with the other Devolved Administrations of Wales and Northern Ireland.

10. MR confirmed the Scottish Government strongly believe Scotland's interests would be best served from being an independent country and securing membership of the European Union. There was now consistent polling trends in Scotland which suggest the majority of the population are in favour of independence.

11. MR set out the intention to publish a draft bill before the end of the parliamentary terms which sets out the question to be asked and the timescale in which, within the next term of Parliament, we consider the referendum should be held. MR noted following the Scottish elections in May 2021 there could then be no democratic justification for UKG to ignore the rights of the people of Scotland to choose their own future.

12. GB enquired about the proposed timing of the referendum post the Scottish election REDACTED INFORMATION. MR confirmed he would hope a second referendum could be held by end 2021. REDACTED INFORMATION

13. REDACTED INFORMATION

Conclusions

14. REDACTED INFORMATION MR invited the High Commissioner to visit the Isle of Ulva in his constituency on his next visit to Scotland. The Isle, on which Macquarie was born, has been recently transformed through an innovative community buy out scheme supported in part by the Macquarrie Bank.

REDACTED INFORMATION

2.

EU ENGAGEMENT REPORT	
Minister	Michael Russell (MR) Cabinet Secretary for Constitution, Europe and External Affairs
Type of engagement	Introductory meeting
Date	4 November 2020
Who	Secretary General Paula Lehtömaki (PL), Secretary General of the Nordic Council of Ministers
Key Points	<p>PL thanked MR for an excellent trip to Edinburgh for the Nordic Council of Ministers (NCM) in 2019. The visit aimed to explore opportunities for closer Scottish-Nordic cooperation.</p> <p>MR welcomed the interest in greater collaboration, and outlined his portfolio in External Affairs including EU and Brexit. MR confirmed the Scottish Government's commitment to building on the relationship with the NCM, especially on how we deal with the pandemic and how we promote a sustainable recovery, starting with official to official contact</p> <p>MR confirmed that Scotland shares the values of the EU and the Nordic states. He made reference to the UN Secretary General's online meeting with the NCM Prime Ministers and their remarks on the importance of multilateralism and transnational cooperation at this time.</p> <p>MR outlined the impact of the UK's exit from the EU on Scotland's ability to cooperate internationally and the Scottish Government's desire to find a way to express our values and work on matters of common concern, recognising that the NCM are a group of sovereign nations.</p> <p>PL said what was important from the UN-NCM meeting was Secretary General António Guterres emphasising the importance of climate work, to a greater extent than the pandemic. Climate is an important part of the work NCM carries out to deliver on the Our Vision 2030 document, which aspires to build a sustainable, green and connected Nordic region.</p> <p>PL noted many policies are not only the NCM's responsibility but sit also with the individual states.</p>

PL suggested pursuing greater cooperation around education and research, with some Scottish universities already cooperating with NordRegio, the Nordic Council of Ministers research centre on regional development. **PL** also noted Scotland's interest in the Arctic. NCM have a cooperation programme to support local communities and contribute to research and science in the Arctic.

MR noted Estonia's recent claim to be the northernmost non-Arctic state, and clarified that Scotland is closer to the Arctic circle than Estonia. **MR** underlined the importance of climate issues and communities in this area.

MR summarised the Scottish Government's work on climate. Scotland passed the first Climate Bill in 2009, and has one of the toughest, most ambitious legislative frameworks in the world.

MR and **PL** highlighted several areas of climate action, activity and mitigation, which go into energy areas such as hydrogen. **MR** noted he had spoken with the German government recently on this, and that Scotland has one of the largest European potentials on wind energy as well as wave and tidal energy.

MR noted his 5 years as Education Secretary and highlighted Scotland's world-leading academic reputation, which will suffer a setback as a consequence of the UK's exit from the EU. **MR** flagged existing partnerships between Scottish and Nordic academic institutions, through both ancient universities but also institutions of more recent establishment such as the University of the Highlands and Islands.

PL moved the discussion to specific sectors. Climate action and renewable energy emerged as areas of strong common interest. The NCM plan includes wind power and sustainable blue economy, which is important for the NCM and Scottish Government.

MR and **PL** also suggested a more detailed view on education, in the areas of higher education and research cooperation.

OFFICIAL - SENSITIVE

	<p>PL suggested holding a virtual workshop with a breakout session. The first workshop would involve meeting and presenting current priority areas to map out common ground.</p> <p>MR agreed and said Scottish Government and NCM officials should discuss now and then in spring 2021 come together and have a workshop.</p>
Actions	<ul style="list-style-type: none"> • Officials to contact counterparts in NCM to begin conversations and planning for cooperation • Officials to contact relevant colleagues in Scottish Government to establish key areas for discussion in higher education and research, climate, wind power, hydrogen and maritime sustainability.
Attending Official(s)	[REDACTED]
Copy List	<p>Copy List:</p> <ul style="list-style-type: none"> • Cabinet Secretary for the Constitution, Europe and External Affairs • Minister for Europe and International Development • EU Engagement Team [REDACTED]

3.

EU ENGAGEMENT REPORT	
Minister	Mr Michael Russell (MR) Cabinet Secretary for Constitution, Europe and External Affairs
Type of engagement	Meeting
Date	29 October 2020
Who	Andreas Michaelis, Ambassador of Germany to the UK (AM) [redacted], Consulate General in Edinburgh
Key points	<ul style="list-style-type: none"> • The meeting opened with a short discussion about German language learning in Scotland, with AM noting the Embassy would like to see more German language learning, whilst appreciating the role of the 2+1 language policy. MR said that the Scottish Government (SG) wants to encourage language learning and noted its appreciation for the work of the Goethe-Institute in Scotland. • AM stated his appreciation for the Scottish Parliament Members' Debate (28 Oct) on the 30th anniversary of German reunification. • The UK Government's Internal Market Bill (IMB) was discussed. [redacted] • MR explained the Continuity Bill would enable Scotland to keep pace with the EU where appropriate, particularly in environmental regulations. He also noted that alignment on state aid was in the interests of the UK, unless it had a deregulatory agenda.

OFFICIAL - SENSITIVE

	<ul style="list-style-type: none"> • AM brought up Scotland’s ambitious climate targets, asking to what extent SG’s targets were harmonised with the UK’s. • AM raised the Covid-19 pandemic, saying that the Chancellor and 16 Länder had shown coherence last week in announcing consistent restrictions nationwide. AM pointed out that this included states with low infection rates, who could see that rates were climbing exponentially across the board. • MR explained that SG continues to work towards a ‘four nations’ approach where possible, and where the devolved administrations are treated as equal partners. MR added that there was both coordination and necessary divergence where the SG took action when it was in Scotland’s interests, noting that there was optimism that action taken by SG last month was helping to stabilise figures. • MR said that Scotland would be eager to work with Germany in hydrogen, outlining expectations that Scotland will be able to export green hydrogen and that SG sees Germany as an important partner. AM said Germany is ambitious in this area (seeking to be a global leader), that this squared well with Germany’s focus on its car industry, mobility and industry and that Germany sees the UK as an important partner, with Scotland featuring most prominently. • AM spoke about Germany’s ambitions for redefining the UK/Germany relationship by finding new platforms for cooperation, mobilising civic society, industry and the Länder. • AM said he believes a large number of Minister-Presidents will look to travel to the UK in 2021, when the situation allows, and that Scotland will be high on their agendas. MR explained the engagement between the Germany Hub and the Länder, and that SG values cooperation with the Länder across different areas.
Comments	<p>A useful introductory meeting, the Ambassador’s first with SG. Discussions focused on the constitution, particularly reactions to the IMB, and Scotland and Germany’s respective approaches to Covid-19, but touched upon important areas of shared priority such as hydrogen. SG officials consider it would be beneficial to send a follow-up letter to signify our intent to strengthen engagement with the Embassy.</p>
Actions	<ul style="list-style-type: none"> • Officials to draft follow-up letter from Cabinet Secretary Russell to Ambassador Michaelis giving further outline to the Scottish Government’s vision for Scotland’s future place in Europe.
Attending official	[redacted]
Copy List	<p>Minister for Europe and International Development [redacted] European Engagement [redacted]</p>

4.

EU ENGAGEMENT REPORT	
Minister	Mr Michael Russell (MR) Cabinet Secretary for Constitution, Europe and External Affairs
Type of engagement	Meeting
Date	5 November 2020
Who	Alexandre Fasel, Ambassador of Switzerland to the UK (AF)
Key points	<ul style="list-style-type: none"> • The meeting opened with a discussion on Scotland and Switzerland's experience with the Covid-19 pandemic. AF said that it was in Switzerland's genes to bring the constituent parts of the federal country together, but that there have been challenges. MR explained that the Scottish Government (SG) has looked to agree a four nations approach where possible. • The discussion then focussed on the UK Government's (UKG) Internal Market Bill (IMB). [redacted] • MR said that Brexit and Covid-19 have accelerated questions about Scotland's future, including who is best placed to rebuild Scotland, and accelerated the move to let the people of Scotland have their say over their future. MR added that the final part of the Referendum Bill will be brought to Parliament in 2021 ahead of the next Scottish Parliamentary elections. • [redacted] • MR brought up areas of future joint cooperation, including life sciences, education, FinTech and renewables, pointing to opportunities to work together to improve health resilience, by bringing supply chains closer to home and bringing Scottish and Swiss industries closer together. MR also expressed SG's hopes for Scotland to become an exporter of green hydrogen, which he said could be beneficial for importing countries. • AF said he agreed with the sectors highlighted, adding that Switzerland wants to liberalise cross-border financial services, a sector in which Edinburgh, Geneva and Zurich were global leaders. [redacted]. AF added that it would be beneficial to bring together 'high-tech' ecosystems in Switzerland and the UK to work together to successfully enter third markets. • Scotland House London (SHL) was discussed, with AF saying he regularly brings cantonal ministers to SHL to develop their understanding of devolution and raise awareness of Scotland. AF pointed to shared opportunities in areas such as regional banks and investment, saying they would team with Swiss Business Hub (SDI equivalent), who run programmes from the Swiss Embassy for Swiss companies looking to enter the UK/Ireland market and UK companies looking to enter the Swiss market. • MR said that SG would like to promote collaboration through intensified partnership between SHL and Swiss officials, which he said would play an important part on our efforts to rebuild from Covid-19. • AF closed by saying he had hoped to be able to bring the Swiss Interior and Culture Minister to Edinburgh during the EIF2020, but

OFFICIAL - SENSITIVE

	that the plans had to be cancelled. He expressed hope that these plans could be revived in 2021.
Comments	A warm meeting that focussed on opportunities for increasing collaboration in many areas, including education, renewables and FinTech. The Ambassador showed a keenness to promote Scotland at both the federal and cantonal levels and to continue to build on the strong relations that already exist between the Embassy and SHL, [redacted].
Actions	<ul style="list-style-type: none">• Officials to reach out to the Embassy to promote contact between SG/Swiss officials in the policy areas raised above.
Attending official	[redacted]
Copy List	Minister for Europe and International Development [redacted] European Engagement [redacted]

6.

From: [redacted]

To: Cabinet Secretary for Constitution, Europe and External Affairs

<CabSecCEAEA@gov.scot>

Cc: [redacted] **Subject:** Readout from Call with Senator Lisa Chambers

PO/Mr Russell

1. Mr Russell talked with Senator Lisa Chambers, the chair of the Seanad Brexit Committee. The two discussed Brexit readiness and likely impacts next year, as well as how Senator Chambers' committee could best engage with the Scottish Government and Parliament. Mr Russell agreed to give evidence to the Seanad committee (likely date 16th December) and officials would liaise with the Finance and Constitution parliamentary committee to arrange to give evidence at the same session.

Brexit Readiness

2. In discussion about preparedness, Mr Russell informed the Senator that the Scottish Government was undertaking significant winter planning arrangements to address Brexit, Covid and general winter concerns. Mr Russell said that the threat from Brexit is considerable, with or without a deal.

3. In response to Ms Chambers' questions on readiness at the Port of Dover in particular, Mr Russell was clear that arrangements were still unclear, and that could also be seen at Cairnryan. The UKG were suggesting there would be no need for customs implementation there for the first six months of any new arrangements but that this was still a worry. Mr Russell suggested Ireland were in a much more favourable position than Scotland given the diversity of supply chain and links to the continent. Scotland would be in a more vulnerable position in terms of location and supply chains.

OFFICIAL - SENSITIVE

4. Mr Russell explained that small Scottish exporters were likely to be adversely affected by any changes and they were already facing problems due to the effects of the pandemic. Mr Russell said he thought January would be a very challenging time indeed.

5. [redacted]

Parliamentary Engagement

6. In response to a question on engagement with the Seanad Brexit Committee, Mr Russell informed the Senator that should they wish to seek evidence from the Scottish Government on the Brexit process, he would be best placed to deliver this. Ms Chambers was also interested in hearing from a Scottish Parliament cross-party committee, and Mr Russell suggested the Finance and Constitution Committee were currently best placed to speak on this topic and offer a cross-party view.

7. Senator Chambers invited Mr Russell to give evidence at one of the Seanad Brexit committee meetings (Wednesdays from 16:30), with December 16th being initially suggested. She also expressed an interest in hearing from the Finance and Constitution committee, and would likely allocate one hour of evidence for Mr Russell, and a further hour for the committee. Officials would keep in touch to make arrangements.

Best wishes
[redacted]

A very useful call with Didier Seeuws the Council Secretariat DG who chairs the Council Group on BREXIT and is the senior advisor to European Council President Michel on Brexit issues. He gave a clear assessment of the key issues; [Redacted]

Detail

Seeuws began by setting out the state of negotiations. [Redacted]

State aid and LPF

[Redacted]

Fisheries

[Redacted]

Timing

[Redacted] Seeuws stressed that time was tight to agree a deal if it was to be ratified and in place by 1 January 2021. [Redacted]

UKIM Bill [Redacted]

[Redacted]

[Redacted]

[Redacted]

Readiness

[Redacted]

[Redacted] Mr Russell outlined what Scottish Government was doing on readiness, including the necessary arrangements for managing trade with Northern Ireland, [Redacted]