# Cabinet Secretary for Constitution, External Affairs and Culture Visit to Arctic Frontiers conference, Tromsø 31 January – 3 February 2023

BRIEFING NOTE	ACTIVITY	TIME
	Programme	
	Key contacts	
	MEETINGS AND ENGAGEMENTS	
	Tuesday 31 January	
1	Arctic Mayors' Forum reception (brush-bys with Foreign Secretaries)	19:45
	Wednesday 1 February	
2	Breakfast briefing with Richard Wood UK Ambassador to Norway	08:30
3	Meeting with Hong Young-ki Korean Ambassador for Polar Affairs	09:30
4	Meeting with Ole Gustav Narud State Secretary for Regional Development, Norway	10:00
5	Meeting with David Balton Executive Director, US Arctic Executive Steering Committee	10:45
6	Meeting with Kirsti Mijnhijmer Head of Secretariat, NPA Programme	11:45
7	Meeting with Prof Antje Boetius Director, Alfred Wegener Institute	13:00
8	Plenary session: Moving to and from the North	15:30
9	Networking reception (brush-by with EU Ambassador for the Arctic and Leader of Orkney Islands Council)	19:30
	Thursday 2 February	
10	Breakfast briefing with Anu Fredrikson Executive Director, Arctic Frontiers	8:30
11	Visit to Tromsø Harbour and meeting with energy companies	9:30
12	Meeting with Andreas Bjelland Eriksen State Secretary, Energy and Petroleum, Norway	13:00
13	Interview with Break TV Arctic Frontiers in-house TV channel	14:45
14	Meeting with Arctic Energy Partners and Energi i Nord	15:30
15	Meeting with Patti Bruns Secretary General, Arctic Mayors' Forum	16:45
16	Dinner with Deputy Chair of Troms County Council and local businesses	18:00

	BACKGROUND BRIEFING	PAGE
17	Norway – Country Profile	65
18	Arctic Policy Framework – Core brief	66
19	Draft Energy Strategy and Just Transition Plan	68
20	Oil and gas	69
21	Offshore Wind and Hydrogen	70

# PROGRAMME [all timings local – Norway 1 hour ahead of Scotland]

# Tuesday 31 January 2023

Time	Activity	Location	Notes
13:05	Flight DY1641 from Edinburgh to Oslo		~ 1hr 45mins  Kate and [redacted] flying with the Cabinet Secretary. [redacted] already
			in Tromsø.
17:10	Flight DY328 from Oslo to Tromsø		~ 1hr 55mins
19:30 – 19:45	Car to City Hall		Local hire provided by Arctic Frontiers.
19:45 – 21:00	Arctic Mayors' Forum reception	Tromsø City Hall Rådhusgata2	Event timings 19:30 – 21:30, speeches expected shortly before 20:00.
	<ul> <li>Brush-bys with:</li> <li>Anniken Huitfeldt, Minister of Foreign Affairs, Norway</li> <li>Thórdís Gylfadóttir, Minister of Foreign Affairs, Iceland</li> <li>Douglas D. Jones, Deputy Ass. Sec. for the Bureau of European &amp; Eurasian Affairs, US</li> <li>Johanna Sumuvuori, State Secretary, Foreign Affairs, Finland</li> <li>Henrik Haapajärvi, State Secretary, PM's office, Finland</li> </ul>		[redacted] to meet on arrival.
21:00 – 21:10	Walk to The Edge hotel	Clarion Hotel The Edge Kaigata 6 9008 Tromsø	700 metres
21:15 – 22:15	Dinner in hotel		Kitchen open until 22:00, flexibility to go elsewhere

# Wednesday 1 February 2023

Time	Activity	Location	Notes
08:3 – 09:15	Breakfast briefing with Richard Wood UK Ambassador to Norway	Restaurant The Edge Hotel	
09:30 – 09:50	Meeting with Hong Young-ki Korean Ambassador for Polar Affairs	Skybar 2 meeting room The Edge hotel	
10:00 – 10:40	Meeting with Ole Gustav Narud State Sec, Local Gov and Regional Development, Norway	Skybar 2 meeting room The Edge hotel	UK Embassy rep to attend
10:45 – 11:30	Meeting with David Balton Executive Director, US Arctic Executive Steering Committee	-	
11:45 – 12:15	Meeting with Kirsti Mijnhijmer, Head of Secretariat, Northern Periphery and Arctic Programme		
12:15 – 13:00	Available meeting slot		
13:00 – 13:45	Meeting with Prof Antje Boetius Director, Alfred Wegener Institute	Skybar 2 meeting room The Edge hotel	
13:45 – 14:30	Lunch		
14:30 – 15:00	Prep/downtime		
15:00 – 15:30	Session set up	Meet at information desk	
15:30 – 17:00	Plenary session: Moving to and From the North	Margarinfabrikken (main hall) The Edge hotel	Seat reserved in front row when not on stage, one seat in second row. More info on logistics in briefing note.
17:15 – 19:30	Downtime/dinner		
19:30 – 22:00	Networking reception	Radisson Blu hotel Sjogata 7	5 mins walk from The Edge hotel

# Thursday 2 February 2023

Time	Activity	Location	Comments
08:30 - 09:00	Breakfast meeting with Anu Fredrikson, Executive Director, Arctic Frontiers	Restaurant The Edge hotel	
09:15 – 09:30	Car	Hotel to Tromsø Havn (Terminalgata 44)	Car provided by Troms and Finnmark County Council
09:30 - 09:45	Welcome and introductions	Tromsø Havn office	
09:45 – 10:15	Meeting with Troms Kraft	Tromsø Havn office	
10:15 – 10:45	Meeting with Arva	Tromsø Havn office	
10:45 – 11:15	Meeting with Fjuel	Tromsø Havn office	
11:15 – 11:25	Break	Tromsø Havn office	
11:25 – 11:55	Meeting with Tromsø Havn	Tromsø Havn office	
11:55 – 12:30	Tour of the port in Breivika		
12:30 – 12:45	Car to hotel	Tromsø Havn to hotel	Car provided by Troms and Finnmark County Council
13:00 – 13:45	Meeting with Andreas Bjelland Eriksen State Secretary, Energy and Petroleum, Norway	SMIA meeting room The Edge hotel	UK Embassy rep to attend
13:45 – 14:45	Lunch		
14:45 – 15:15	Interview with Break TV (AF in-house TV channel re Arctic Frontiers Abroad)	The Edge hotel, location tbc	
15:30 – 16:30	Meeting with Arctic Energy Partners and Energi i Nord	Restaurant The Edge hotel	
16:40 – 16:45	Walk	The Edge hotel to Bankgata 9/11	350m from hotel
16:45 – 17:15	Meeting with Patti Bruns Secretary General, Arctic Mayors' Forum	Arctic Mayors' Forum offices Bankgata 9/11	
17:15 – 17:20	Walk	Bankgata 9/11 to the Edge hotel	

17:20 – 17:55	Downtime	The Edge hotel	
17:55 – 18:00	Walk	The Edge hotel to restaurant	350m from hotel
18:00 – 20:30	Dinner with Deputy Chair of Troms and Finnmark County Council and representatives of local businesses		Organised by Troms and Finnmark County Council

# Friday 3 February 2023

Time	Activity	Location	Comments
05:15 - 05:30	Car	Hotel to Tromsø airport	Local hire provided by Arctic Frontiers
		·	
06:30 - 08:35	Flight DY371 from Tromsø to Oslo		~ 2hrs 5mins
11:25	Flight DY1640 from Oslo to Edinburgh		~ 2 hours

# **KEY CONTACTS**

SCOTTISH GOVERNMENT - IN COUNTRY				
[redacted]	Private Secretary	[redacted]	[redacted]	
[redacted]	Arctic Policy Lead, DEXA	[redacted]	[redacted]	
Kate Higgins	Special Advisor	[redacted]	[redacted]	
Tilggillo	SCOTTISH GOVE	ERNMENT - IN SCO	TLAND	
[redacted]	Head of Nordic and Arctic	[redacted]	[redacted]	
	Unit	-	-	
[redacted]	Head of European Engagement	[redacted]	[redacted]	
Frank	Deputy Director,	[redacted]	[redacted]	
Strang	European Relations			
Donna	Deputy Director	[redacted]	[redacted]	
Mackinnon	European Relations		[	
		NMENT IN NORWA	Ŷ	
[redacted]	Science & Innovation	[redacted]	[redacted]	
	Policy Advisor	-		
John Fox	Deputy Head of Mission	[redacted]	[redacted]	
[redacted]	Second Secretary	[redacted]	[redacted]	
	TROMS AND FINI	NMARK COUNTY C	OUNCIL	
[redacted]	Director Industry and Economic Development	[redacted]	[redacted]	
		IC FRONTIERS		
[redacted]	Senior Adviser	[redacted]	[redacted]	
[redacted]	Adviser	[redacted]	[redacted]	
[redacted]	Coordinator	[redacted]	[redacted]	
[redacted]	Transport Service Arctic Frontiers	[redacted]	[redacted]	
	T TOTAL OF C	HOTELS		
Clarion Hotel	The Edge	+47 77 66 84 00		
Kaigata 6, 900		111111000100		
MEETING CONTACTS				
[redacted], Se	nior Arctic Official, Iceland	[redacted]	[redacted]	
	Arctic Affairs Officer, US	[redacted]	[redacted]	
Embassy Oslo	•	[, , , , , , , , , , , , , , , , , , ,	[1000000]	
[redacted],	Senior Adviser, Finnish	[redacted]	[redacted]	
Embassy Oslo		[12 4 2 4 2 4]	[vo do sto d]	
	st Secretary, Korean MFA	[redacted]	[redacted]	
	ead of Secretariat, NPA	[redacted]	[redacted]	
Prof Antje Boetius, Director, Alfred Wegener Institute			[redacted]	
[redacted], Specialist Director, Norwegian Department of Regional Development		[redacted]	[redacted]	
[redacted],	[redacted], Energy Policy Lead,		[redacted]	
	Norwegian energy dept Petter Bjørkli, Cluster Leader, Energi i		[redacted]	
Nord	•		[1-oddotod]	
Patti Bruns, Mayors' Forur	Secretary General, Arctic	[redacted]	[redacted]	
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# BRIEFING NOTE 1 Participation in Arctic Mayors' Forum reception and brush-bys with Foreign Secretaries

When	Tuesday 31 January 2023, 19:45 – 21:00
Where	Tromsø Town Hall Rådhusgata 2, 9299 Tromsø
Key Messages	<ul> <li>Scotland has grown confident in her role as the world's most northernly non-Arctic nation.</li> <li>Given our similarities and shared ambitions, Scotland has a wealth of relevant expertise to contribute to Arctic dialogue.</li> <li>Scotland remains an outward-looking nation. Nordic countries are among our closest and most strategic partners.</li> <li>We condemn Russia's illegal and unprovoked aggression against Ukraine and will support international efforts to keep the Arctic a low-tension geopolitical area.</li> </ul>
Who	See Annex A
Why	This event marks the opening of the Arctic Mayors' Forum Secretariat in Tromsø. Foreign Ministers from across the Nordic region, senior political representatives from the US and international diplomats have confirmed their attendance, giving you the opportunity to raise Scotland's Arctic profile among an audience of key decision-makers.  Officials have pre-agreed brush-bys with:  Anniken Huitfeldt, Minister of Foreign Affairs, Norway Thórdís Gylfadóttir, Minister of Foreign Affairs, Iceland Douglas D. Jones, Deputy Ass. Sec. for the Bureau of European & Eurasian Affairs, US Johanna Sumuvuori, State Secretary, Foreign Affairs, Finland Henrik Haapajärvi, State Secretary, PM's office, Finland
Official Support	[redacted] - Private Secretary
	[redacted] – Arctic Policy Lead – will welcome the Cabinet Secretary at the venue upon arrival.
Dress code	Business Attire
Briefing contents	Annex A – Key attendees Annex B – Previous meeting with Douglas D. Jones – Key points

#### **KEY ATTENDEES AND DISCUSSION POINTS**

ANNEX A

# Anniken Huitfeldt - Minister of Foreign Affairs, Norway (@AHuitfeldt)



She was appointed as Minister of Foreign Affairs in October 2021. She previously served as Minister of Children and Equality (2008-2009), Minister of Culture (2009-2012) and Minister of Labour and Social Inclusion (2012 to 2013).

She has been a Labour MP since 2005. Before then, she was Leader of the Workers' Youth League (1996-2000) and vice-president of the International Union of Socialist Youth (2000-2001).

- Scottish Ministers are regular attendees at the Arctic Frontiers conference. This is the fifth time we have addressed this forum in as many years.
- I will meet with your State Secretary for Energy on Thursday to underline Scotland's strong interest in increasing collaboration with Norway.
- We hope the Norwegian presidency of the Arctic Council will go ahead (from May 2023) and contribute to easing tensions in the region.

# Thórdís Gylfadóttir – Minister of Foreign Affairs, Iceland (@thordiskolbrun)



A member of the centre-right Independence Party, she has been an MP since 2016. From 2017-2019, she served as Minister for Tourism, Industry and Innovation. In 2019, she also temporarily covered the Justice portfolio. She was appointed Foreign Secretary in 2021. Before joining politics, she was a lecturer in Constitutional and Administrative Law at the University of Reykjavik.

You met her at the Arctic Circle Assembly in October 2022.

- I was pleased to welcome to Edinburgh the Environment Committee of the Icelandic Parliament earlier this month.
- [redacted s.32(1)(a) International relations]
- Congratulations on Iceland's presidency of the Council of Europe. We fully agree with your priorities: rights of women and girls, climate and environment, and youth.

## Douglas D. Jones - Deputy Asst. Sec. of State for European and Eurasian Affairs



Appointed in September 2021, he oversees European security (including NATO, the OSCE, and conventional arms control), Northern Europe (including the UK, Ireland, Nordic and Baltic countries) and Arctic Security.

He served as Deputy Chief of Mission at the US Mission to NATO (2018-2021) and as Deputy Chief of Mission in Croatia and Montenegro.

You met him in Washington in April 2022.

- We noted the publication of the US new strategy for the Arctic and agree with the priorities set out there: geopolitical stability, climate action and sustainable economic development.
- Scotland can be an important partner in its delivery. We have a wealth of knowledge that we are happy to share, for instance on renewable energy in rural areas and rural wellbeing.

# Henrik Haapajärvi – State Secretary, Prime Minister's Office, Finland (@hhaapajarvi)



Before being appointed as State Secretary in September 2020, he worked as Special Advisor to then Transport Minister Sanna Mari. When she was elected Prime Minister, he joined her as Head of Cabinet (2019-2020).

He is a Special Advisor and not an elected politician.

# Johanna Sumuvuori – State Sec, Ministry of Foreign Affairs, Finland (@sumuvuori)



She has served in the current role since July 2019. A member of the Green Party, she served as Helsinki City Councillor from 2001-2016 and as MP from 2006-2011.

In 2016, she left politics temporarily to take over the role of Head of Society and Culture Programme at the <u>Finnish Institute in London</u>. She also worked as Press Counsellor at Finnish Embassy from 2017-2019 before returning to politics.

- Tomorrow I will participate in a plenary session on rural repopulation. Scotland and Finland are experiencing similar demographic trends (eg aging population and low fertility rates). I know our officials are in touch and I would be strongly supportive of grater collaboration in relation to population policies.
- Scotland and Finland have a strong track record of policy exchange for mutual benefit. For instance, in relation to the baby box and more recently the wellbeing economy group.
- I know you worked at the Finnish Embassy in London. Ambassador Siukosaari (Finnish Ambassador to the UK since September 2021) was in Edinburgh only a few weeks ago to meet our First Minister.

#### Other attendees include:

- Gunnar Wilhelmsen Mayor of Tromsø
- Ida Maria Pinnerød Mayor of Bodø and Chair of the Arctic Mayors' Forum
- Patti Bruns Secretary General of the Arctic Mayors' Forum (you will meet her on Thursday)
- Teemu Tanner Finnish Ambassador in Oslo
- Kim Pil-woo Korean Ambassador in Oslo
- Hiroshi Kawamura Japanese Ambassador in Oslo
- Senior Arctic Officials from Iceland, Sweden, Finland, US, Norway and Korea.

# PREVIOUS MEETING WITH DOUGLAS D. JONES – KEY POINTS ANNEX B

[redacted - s.32(1)(a) International relations]

# BRIEFING NOTE 2 Breakfast briefing with HE Richard Wood - UK Ambassador to Norway

When	Wednesday, 1 February 2023, 8:30 – 9:15	
Where	Restaurant Clarion Hotel The Edge	
Key Messages	<ul> <li>Interested in your take on current political developments in Norwegian politics and how they affect bilateral relations, with both the UK and Scotland.</li> <li>Norway is a key economic, cultural and policy partner for Scotland.</li> <li>Increased energy collaboration with Norway can unlock key economic opportunities for Scotland and accelerate our transition to net zero.</li> <li>We will continue to work with your Embassy to influence Norwegian authorities on the value of new interconnectors (NorthConnect).</li> <li>Interested in how Norway is approaching its upcoming presidency of the Arctic Council.</li> <li>Thank you for your support and open approach during your tenure as UK Ambassador to Norway.</li> </ul>	
Who	HE Richard Wood – UK Ambassador to Norway	
	He was appointed Ambassador to the Kingdom of Norway in August 2018. Richard joined FCO in 1990 with his first foreign posting as a Second Secretary for internal politics in Cape Town and Pretoria. Prior to Norway, he served as the FCO Head of Northern and Central Europe Department (2015-18) and a Foreign and Security Policy Counsellor in Washington (2014-15).  He will leave post in April 2023. His successor, Ms Jan Thompson, is the current Deputy High Commissioner in New Delhi.	
Why	A courtesy meeting with the Ambassador, who has offered to brief you on key political issues in Norway and the state of UK-Norwegian relations. He is familiar with our Arctic work – he met former Cabinet Secretary Aileen Campbell at this conference in 2020 and Mr Lochhead in Oslo in 2022 (immediately after the Minister's participation in Arctic Frontiers).  This is also an opportunity to thank him for his support during his four and a half years as Ambassador in Oslo. He has taken an open and collaborative approach to working with the Scottish Government.	
Social Media	@UKinNorway @RichWoodUK	
Briefing contents	Annex A – Discussion points	

DISCUSSION POINTS ANNEX A

### Norwegian politics

The current Norwegian government was formed just over a year ago. [redacted - s.32(1)(a) International relations]

[redacted - s.32(1)(a) International relations]

• The Norwegian government has been firm in its support of **Ukraine** and has announced it will send tanks. [redacted - s.32(1)(a) International relations]

[redacted - s.32(1)(a) International relations]

### **Ambassador leaving post**

• I understand you will be leaving post in April after four and a half years in Oslo.

**Offer**: I would like to thank you for the open approach you have taken in working with the Scottish Government, including on the occasion of regular Ministerial visit to Norway. **Ask**: As you reflect on your tenure in Oslo, how have UK-Norwegian relations developed in recent years and what's the current state of bilateral relations?

### **Energy**

- [redacted s.32(1)(a) International relations], Norway has been in high demand internationally and it has strengthen its role as **Europe's key energy partner**.
- As well as a crucial gas provider, Norway is positioning itself at the forefront of new energy technologies, as the **agreement with Germany on hydrogen** collaboration confirms.
- [redacted s.32(1)(a) International relations] [redacted s.32(1)(a) International relations]
- The Scottish Government has published a **draft Energy Strategy and Just Transition Plan**. It underlines the potential of the North Sea to become the "battery for Europe".
- Norwegian renewable energy companies Magnora, BW Ideol and Baywa and Elicio have been successful applicants for ScotWind Leasing.

**Offer:** Increased energy collaboration with Norway, including on CCS and hydrogen, can unlock key economic advantages for Scotland and accelerate our transition to net zero. [redacted - s.32(1)(a) International relations]

**Offer:** We would be pleased to facilitate an energy-focused visit to Scotland for you and your successor to develop a full understanding of opportunities for collaboration with Norwegian partners.

#### **Arctic Council**

• Norway is scheduled to take over the **presidency of the Arctic Council** from Russia in May. I know the organisation is headquartered here in Tromsø.

[redacted - s.32(1)(a) International relations]

# BRIEFING NOTE 3 Meeting with Dr Hong Young-ki – Korean Ambassador for Polar Affairs

When	Wednesday, 1 February 2023, 9:30 – 9:50
Where	Skybar 2 meeting room, Clarion Hotel The Edge
Key Messages	<ul> <li>I understand South Korea's Arctic priorities revolve around shipping and scientific collaboration. Scotland can be a strong partner in both areas.</li> <li>Edinburgh will host Arctic Science Summit Week in March 2024. I would encourage you to promote participation among Korean researchers.</li> <li>Interested in your role as Vice-Chairman of the Central Arctic Ocean Fisheries Agreement. Scotland has world-leading expertise in marine science and marine planning.</li> <li>Scotland is committed to tackling climate change, which is threatening the future of the Arctic and of its communities. Our shared focus on renewable energy technology and a green transition provides many opportunities for collaboration between our countries, which can benefit the Arctic</li> <li>Scotland is becoming more aware of its key geopolitical position as a link between the Arctic and central Europe.</li> <li>Our Director for External Affairs Scott Wightman served as British Ambassador in Seoul from 2011-2015.</li> </ul>
Who	Hong Young-ki – Ambassador for Polar Affairs, South Korea  As well as Ambassador for Polar Affairs, since 2022 he has also been serving as the Vice-Chairperson for the Central Arctic Ocean Fisheries Agreement. He served as Ambassador to Kuwait (2018-21) and as Director for International Economic Affairs (2017-18). He has extensive knowledge in trade negotiations and holds a PhD in international economic law.
Why	After your bilaterals with Ministers and senior officials from India, China, Singapore and Japan at the Arctic Circle Assembly, this meeting will allow you to complete your round of engagements with Asian countries that hold observer status at the Arctic Council.  South Korea has become increasingly active on Arctic issues in recent years. You will be able to underline Scotland's growing involvement in Arctic collaboration and offer an overview of our policy interests in the region.
Social Media	@MOFAkr_eng
Briefing contents	Annex A – Discussion points Annex B – Background briefing

DISCUSSION POINTS ANNEX A

#### South Korea in the Arctic

- South Korea has become increasingly active and visible in Arctic fora in recent years. I
  understand your main interests revolve around shipping and scientific collaboration.
- As we underlined in our new National Planning Framework (NPF4), Scotland has the
  potential to become a key sub-Arctic shipping hub due to our strategic location between
  the central Arctic and central Europe.
- With nine members, Scotland is the second-largest non-Arctic contingent within the University of the Arctic behind China. I know South Korea's Polar Research Institute is also a member.
- Edinburgh will host **Arctic Science Summit Week in March 2024.** The Scottish government is one of the organising partners.

**Offer**: My officials would be happy to provide more information on Scotland's network of ports and explore opportunities to establish new commercial links between our countries. **Offer**: In June 2023, the University of Strathclyde will host the annual Port and Ocean Engineering under Arctic Conditions conference (POAC 2023). Your colleagues may be interested in attending.

**Offer**: We would be very happy to facilitate introductions with the Scottish Arctic Network (ScAN), which brings together Scotland's growing Arctic research community.

**Ask**: I would encourage you to promote participation in Arctic Science Summit Week 2024 among your researchers. I would be very pleased to welcome you to Edinburgh as well.

# **Central Arctic Fisheries Agreement**

- Interested in South Korea's involvement in the agreement and your role as Vice-Chairman.
- Scotland has a wealth of expertise when it comes to marine science and marine planning.
- Our network of **Marine Protected Areas** covers approximately 37% of our seas to promote nature conservation, biodiversity, sustainable management and protect our heritage.
- We have also developed a Marine Atlas based on scientific evidence and expert judgement. It provides baseline information from which the national marine plan will be developed.

Ask: What were the main considerations behind your country's decision to sign the agreement?

**Offer**: We would be happy to share more information on Marine Scotland's work on biodiversity, sustainable fisheries and marine planning.

#### **Energy technologies**

 Scotland is home to many "world's first" energy innovation projects. The recent addition of the 27.6 GW ScotWind offshore wind programme demonstrates our vast potential.

**Ask**: Interested in South Korea's energy mix and investment in renewable technologies? What are the main solutions your country is looking at?

# Mr Matheson's visit

- Our Energy and Transport Secretary Michael Matheson visited South Korea in October 2022. Whilst there, he travelled to Ulsan to meet with Hyundai Heavy Industries to encourage continued dialogue on the significant opportunities in Scotland's development of renewable energy capabilities, such as ScotWind.
- The innovation and expertise of companies in Asia and their investment in Scotland is supporting our net zero commitments.

Offer. We would be happy to share more information on this visit.

# South Korea in the Arctic

The country's first forays into the Arctic region date back to the Nineties and took the form of state-funded scientific expeditions. More recently, South Korea's interest in the region has pivoted from scientific studies to commercial interests, stimulated by the country's energy needs and the prospect of new shipping routes connecting Asia with Europe.

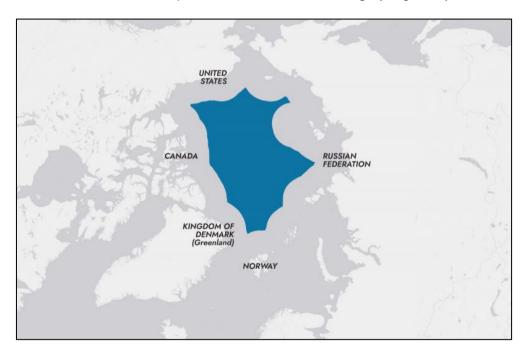
In 2002, Korea joined the International Arctic Science Committee and established a research station in Svalbard. In 2009, South Korea's first research icebreaker entered into service and in 2013 the country secured observer status at the Arctic Council.

Successive South Korean political leaders have made the Arctic a policy priority, to the point that former President Park Geun-Hye (2013-2017) ranked the Arctic 13th among 140 national priorities at the outset of her presidential term.

As the world's top shipbuilder and one of the powerhouses for artificial intelligence, South Korea is looking to position itself at the forefront of Arctic navigation technologies. Two-thirds of LNG tankers in service worldwide were built in South Korea and the country is only second to Russia when it comes to ice-breakers innovation.

# **Central Arctic Ocean Fisheries Agreement**

The international agreement to prevent unregulated fishing in the high seas of the central Arctic Ocean came into force in 2021. It prevents commercial fishing by signatory states until 2037.



The Central Arctic Ocean could soon open up. A potentially promising prospect for commercial fishing activities. Yet, as of today, little is known about the ecosystem below the shrinking ice cover and unregulated fishing could have severe impacts. Arctic coastal states decided to put a mechanism in place that would prevent commercial fishing activities until better scientific knowledge is available. In the process, they also engaged other states with distant-water fishing capacity. Current signatories include Canada, Iceland, the Kingdom of Denmark, Norway, the United States and the Russian Federation, as well as China, Japan, South Korea and the European Union.

[redacted - s.32(1)(a) International relations]

# **BRIEFING NOTE 4**

# Meeting with Ole Gustav Narud - State Secretary, Local Government and Regional Development, Norway

When	Wednesday 1 February 2023, 10:00 – 10:40	
Where	Skybar 2 meeting room, Clarion Hotel The Edge	
Key Messages	<ul> <li>We are keen to engage internationally on demographics and population challenges.</li> <li>The Northern Periphery and Arctic (NPA) programme is a key strategic area for Scottish Government policy.</li> <li>We are developing a "rural lens" approach to the delivery of NSET, ensuring rural interests are fully represented.</li> <li>As our discussions demonstrate, Scotland and the Arctic region share similar challenges. Our Arctic policy framework encourages cooperation and knowledge exchange.</li> </ul>	
Who	Ole Gustav Narud State Sec – Local Government and Regional Development	
	Appointed in October 2021. His other posts include Assistant Professor of Economics at Inland Norway University (1990-current) and a number of past local government posts including Mayor of Åmot Municipality (2003-2011 and 2015-2019). Mr Narud is a member of the Centre Party (agrarian and firmly opposed to EU membership).	
Why	Mr Narud's team approached officials DEXA officials to offer a meeting with their State Secretary. We have agreed the following points for discussion:	
	<ul> <li>Rural repopulation (to build on your plenary session)</li> <li>Northern Periphery and Arctic programme (Mr Narud is responsible for Norway's participation in the programme)</li> <li>NSET [redacted - s.32(1)(a) International relations]</li> <li>Scotland's Arctic policy framework.</li> </ul>	
0	[redacted - s.32(1)(a) International relations]	
Social Media	@km_dep	
Briefing contents	Annex A – Discussion points	
	Annex B – NSET core brief	
	Annex C – ETC and NPA programme – Core brief	

DISCUSSION POINTS ANNEX A

### Population challenges in rural areas

- In Scotland, we are observing a general trend where not only is there a drift from rural to urban areas, but also that there is an observed drift from the west of the country to the east.
- Scotland's first national Population Strategy was published in March 2021. It contains a
  commitment to engage with international countries to share learning and best practice on
  addressing demographic challenges.
- We established an Expert Advisory Group on Population and Migration. With its help and that of local authorities and key business sector organisations we designed a pilot proposal to facilitate migration to remote and rural communities.
- The Pilot would represent a new community-driven approach to local migration modelled on successful immigration schemes in Canada.
- Scotland has a long established reputation for engaging with its rural communities in an
  inclusive and enabling way. We work with and through our established Rural Community
  Networks to enable local decision making.

**Offer:** We would be very happy to share relevant documents and research that the Scottish Government has produced on population and migration topics.

**Ask:** Interested in how Norway's challenge compare to ours and the policy approach you have taken. What are the main similarities and differences? How is it working in practice?

# Northern Periphery and Arctic (NPA) programme

- The NPA programme is an engine that has allowed us to establish many project-level links with Arctic countries. Our Arctic policy framework recognises its importance in the context of supporting Scottish-Arctic collaboration on tangible shared challenges.
- The Regulations for ETC have the UK as a Third Country so there is no administrative impediment to participation. Rather it is **UK Government choice to step away**.
- Nevertheless, **SG** officials continue to maintain contact with the programme authorities with a view to finding a way to maintain involvement.
- Scotland is **delighted to accept observer status** on the NPA Monitoring Committee for the 2021-2027 programmes.

**Ask**: Interested to hear your take on new programme and how it is working for Norway.

## National Strategy for Economic Transformation (NSET)

- The Strategy sets out our ambition that by 2032 Scotland will be an international benchmark for how an economy can transform itself, de-carbonise and rebuild natural capital whilst creating more, well-paid and secure jobs.
- Rural and Island communities are driving many of the changes we want to see.
- Community Led Local Development funded projects are addressing many of the priority actions in NSET.
- Building on international best practice, and working with partners, we are developing a "rural lens" approach to the delivery of NSET, ensuring rural interests are fully represented.

## **Local Government reform in Norway**

• I know that in recent years Norway has reduced the number of both municipalities (from 428 to 356) and counties (from 19 to 11). This has been accompanied by a process of decentralisation.

**Ask**: Interested in your thoughts on how the reform is working. [redacted - s.32(1)(a) International relations]

NSET – CORE BRIEF ANNEX B

# Our National Strategy for Economic Transformation contains bold and ambitious actions - within the powers currently available to us - to deliver fairer, greener prosperity for all Scotland's people and places, and to make our economy more sustainable and resilient in the longer term.

- Scotland has extraordinary economic potential through our natural resources, talent, creativity, academic institutions and business base, with strengths in sectors such as financial services, food and drink, and tourism and hospitality.
- With fair work and a just transition at its heart, the strategy builds on the Covid Recovery Strategy and will support progress towards net zero, help restore the natural environment, stimulate innovation and create jobs.
- Our vision is to transition to a wellbeing economy that serves people and the planet first and foremost, for current and future generations.
- That is why our Wellbeing Economy Monitor complements traditional metrics of economic success, such as GDP, to include health, equality, child poverty, levels of greenhouse gas emissions and fair work indicators.

# Rural and Island communities are driving many of the changes we want to see across Scotland, and that is why we have invested £11.6m in our communities this year (2022-23), to allow them to address local challenges and opportunities.

- Community Led Local Development funded projects are addressing many of the priority actions in NSET by supporting the Local Action Group network to build new partnerships with the business sector, and collating a body of local evidence to inform rural development policy and other programmes.
- Building on international best practice, and working with partners, we are developing a "rural lens" approach to the delivery of NSET, ensuring rural interests are fully represented.

# The strategy is a route to a strong economy with good, secure and well-paid jobs and growing businesses, maximising Scotland's strengths and natural assets to seize the opportunities of achieving net zero and becoming a fairer country.

- The strategy seeks to incentivise entrepreneurship, support lifelong skills development and remove barriers to participation in the labour market so that everyone is enabled and empowered to participate in our economic success.
- It sets out our ambition that by 2032 Scotland will be an international benchmark for how an
  economy can transform itself, de-carbonise and rebuild natural capital whilst creating more,
  well-paid and secure jobs and developing new markets based on renewable sources of
  energy and low carbon technology.
- By 2032 Scotland will be a nation of entrepreneurs and innovators, with resilient supply chains and competitive advantages in the new industries generated by technological change, scientific advance and the climate and nature crises.
- We will build on our strengths in sectors like energy, financial services and life-sciences, and develop new strengths in technology, space and decarbonisation.

# In order to emerge strongly from the current economic crisis, we will focus on delivering our National Strategy for Economic Transformation, and will work with the business community to identify the most effective support we can offer them.

- Building on NSET, our Programme for Government sets out actions we will take on entrepreneurship, new market opportunities, productivity, skills, and a fairer and more equal society.
- We will also use our commitment to transition to a net zero economy to ensure that we make
  progress on key strategic projects and infrastructure investments that will help Scotland's
  economy to emerge strongly from any recession.

- The Scottish Budget 2023-24 supports our long term ambitions for transformation to a stronger, fairer, greener economy, as well as providing some immediate support for businesses during the current cost crisis.
- Our focus is on delivering the measures that will most help to support the economy through any recession and pave the way for a more resilient, fairer, greener, wellbeing economy, including:
  - boosting entrepreneurship by opening six tech scalers the 2023-24 Budget includes £6.5m in 2023-24, with plans to spend up to £42m over the next five years, to support start-ups and boost entrepreneurship through our national network of Techscalers and pre-scalers;
  - using our trade and investment plans to set the direction on new market opportunities, attracting the high-quality investment and technologies that support key sectors – the 2023-24 Budget provides £7.8m to support delivery of our export, inward and capital investment plans;
  - supporting enhancements to Scotland's digital infrastructure through the Scottish Budget we will continue to invest in the Reaching 100% (R100) programme, with £93.4 million to extend access to gigabit-capable broadband networks across Scotland;
  - o launching a consultation on our Community Wealth Building legislation;
  - continuing the £34 million Scottish Industrial Energy Transformation Fund where we coinvest with manufacturing industries to decarbonise industrial processes;
  - o establishing an investor panel, led by the First Minister, to facilitate investment in infrastructure and the transition to net zero; and
  - o improving the content and extending the scope of the Green Jobs Workforce Academy.
- The Scottish Budget 2023-24 also provides £244m for the Scottish National Investment Bank; a total of £186.5m of resource allocated to the enterprise agencies – almost 4% higher than in 2022-23; and £121.4m to support employability, skills for young people, and fair work.

# <u>Successful delivery requires all of our partners to work together and we will draw on the strengths of people and organisations from all sectors.</u>

- We are committed to a new culture of delivery, where the right governance structures will ensure that we are, collectively, held accountable for the delivery of the strategy.
- The NSET Delivery Board, co-chaired by the Economy Secretary (DFM interim chair) and Barry White, is made up of experienced leaders, appointed because of their professional experience in delivering results across the public, private and third sectors.
- The NSET Portfolio Board (chaired by DG Economy) brings together programme directors, SROs and CEOs from the delivery agencies to ensure programmes are on track, make crossportfolio connections and resolve issues before progress is reported to the NSET Delivery Board.
- The new Scottish Government Economic Leadership Group, chaired by the First Minister, will ensure the public sector is delivering on its aims.
- We are working together with the public, private and third sectors as well as with individuals and communities – in a "Team Scotland" approach to implement delivery plans for each programme.

# NSET will help build a society in which everyone can participate and where economic success is shared by everyone, in every community and region.

- NSET was accompanied by an Equality Position Statement, which provided a framework for the development of equality impact assessments on each NSET Programme, and these were published alongside the delivery plans on 31 October.
- On 9 May we announced the establishment of a Centre of Expertise to embed equality and human rights within the economic policy-making process, as committed to in NSET.

#### ETC AND NPA PROGRAMME - CORE BRIEF

ANNEX C

- A total of 88 Scottish organisations have received 225 funding awards for territorial cooperation projects across ETC programmes There are 158 projects but 225 separate funding awards. This is because some projects fund more than one Scottish partner.
- To date they have been awarded over €83.8 million (over £71.8 million) under the 2014-2020 programmes.
- ETC programmes are valued as an established, cost-effective way for Scottish organisation
  to collaborate with international partners. Green, low carbon priorities have been identified
  by partners as particularly important, and Nordic countries, Ireland and NI the most popular
  geographies.
- UKG stated that ETC would be subsumed into the new UK Shared Prosperity Fund (UKSPF), which replaced mainstream European Structural Funds, but have chosen not to deliver.
- Neither the White Paper nor the Prospectus for the UKSPF commit funding to continue the type of international cooperation previously available through ETC programmes.
- The Regulations for ETC have the UK as a Third Country so there is no administrative impediment to participation. Rather it is UK Government choice to step away from such European programmes. Nevertheless, officials continue to maintain contact with the programme authorities with a view to finding a way to maintain involvement for our stakeholders and Scottish Government.

# Northern Periphery and Arctic programme (NPA)

- The NPA 2014-2020 forms a cooperation between 9 programme partner countries. The
  Member States of Finland, Ireland, Sweden and the United Kingdom (Scotland and
  Northern Ireland only) in cooperation with the Faroe Islands, Iceland, Greenland and
  Norway. Scotland (and NI) remain involved in the 2014-2020 programme as part of the
  Withdrawal Agreement.
- The NPA 2014-2020 is part of the European Territorial Cooperation Objective, also known as Interreg, supported by the European Regional Development Fund (ERDF) and ERDF equivalent funding from non-EU partner countries. The next NPA programme, is due to run from 2021-2027.
- Despite geographical differences, the large programme area shares a number of joint challenges and opportunities that can best be overcome and realised by transnational cooperation.
- It is the programme's vision to help to generate vibrant, competitive and sustainable communities, by harnessing innovation, expanding the capacity for entrepreneurship and seizing the unique growth initiatives and opportunities of the Northern and Arctic regions in a resource efficient way.
- The programme is open for public and private partners of all kinds from inside the
  programme area, e.g. regional and local authorities and other public sector organisations,
  research institutions and private entities delivering public service, private-public
  partnerships. Also, local and regional SMEs, specifically micro enterprises in remote and
  sparsely populated areas and business organisations, etc.

# **BRIEFING NOTE 5**

# Meeting with Ambassador David Balton – Executive Director, US Arctic Executive Steering Committee

When	Wednesday 1 February 2023, 10:45 – 11:30
Where	Skybar 2 meeting room, Clarion Hotel The Edge
Key Messages	<ul> <li>Scotland is strategically located and has a wealth of relevant knowledge to contribute to Arctic collaboration.</li> <li>We are the world's most northerly non-Arctic nation. What happens in the Arctic is of immediate interest to us.</li> <li>Interested in the new US Arctic strategy published in October.</li> <li>We applaud the US government decision to re-join the Paris Agreement, this is of enormous importance for the Arctic.</li> <li>We have an office in Washington. We will facilitate introductions.</li> <li>We established a Scottish Council on Global Affairs.</li> </ul>
Who	Ambassador David Balton Executive Director, US Arctic Executive Steering Committee  David served as the Deputy Assistant Secretary for Occupy and Fighering in the
	Secretary for Oceans and Fisheries in the Department of State, attaining the rank of Ambassador in 2006. During the US Chairmanship of the Arctic Council (2015-2017), he served as Chair of the Senior Arctic Officials. He also co-chaired Arctic Council Task Forces that produced the 2011 Arctic Search and Rescue Agreement and the 2013 Arctic Oil Pollution Agreement. He separately chaired negotiations to produce an Arctic fisheries agreement.
	He will be joined by <b>Mr Matt Hickey</b> (formerly a staffer in Senator Murkowski's office, now an advisor at the <b>Ted Stevens Centre for Arctic Security Studies</b> )
Why	Ambassador Balton is a <b>key Arctic advisor to President Biden</b> . The Committee he chairs is tasked with coordinating Federal actions in the Arctic, working across government and providing strategic advice to the White House on the US role in the region. He is therefore a key entry point into US policy-making, strategic thinking and international engagement on Arctic matters.  Ambassador Balton <b>moderated a webinar with former Cabinet Secretary Russell</b> that was co-organised by DEXA and the Wilson
	Centre's Polar Institute (of which Balton was a senior fellow).
Social Media	@us_arctic @david_balton
Briefing contents	Annex A – Background information

#### **BACKGROUND INFORMATION**

ANNEX A

# **US National Strategy for the Arctic region**

- Published in October 2022, it sets out the US government vision for the Arctic up to 2032. It replaces and refreshes a similar document published in 2013.
- It sets out four strategic and "mutually reinforcing" pillars:
  - Security: It discusses at length the consequences of Russia's aggression against Ukraine on the stability of the Arctic region, committing to exercise presence in the region to both manage and mitigate risks.
  - <u>Climate Change and Environmental Protection</u>: It acknowledges the impacts of climate change, commits to reducing emissions from the Arctic and to conserving Arctic ecosystems.
  - Sustainable Economic Development: It pledges to invest in sustainable infrastructure in Alaska, improve access to services, and support the development of industries that expand economic opportunity for local communities.
  - International Cooperation and Governance: It confirms support for the Arctic Council
    and underlines the US commitment to international law and standards in the Arctic.

# Meeting with Acting Director of Northern European, Baltic and Arctic Security Affairs

- On 26 January 2023, DEXA Director Scott Wightman and Head of Washington Office Christopher Thomson met in Washington with Acting Director of Northern European, Baltic and Arctic Security Affairs, Daniel Mangis.
- [redacted s.32(1)(a) International relations]
- [redacted s.32(1)(a) International relations]
- Questions were asked about our fit with the UKG Arctic strategy, our population challenges and whether we had engaged with Arctic neighbours on this.
- [redacted s.32(1)(a) International relations]

# Ted Stevens Centre for Arctic Security Studies

- Established in 2021 with support from the Department of Defence (DoD), it is based in Anchorage (Alaska).
- It is one of six DOD Regional Centres for Security Studies, and the only one focused solely on the Arctic.
- Through executive-level (practitioner) education programs and in-region workshops, the DOD Regional Centres for Security Studies promote collaborative responses to transnational threats; foster common perspectives on regional security challenges and strengthen binational and multinational institutional relationships.
- It is named after late American politician and lawyer Theodore Steven, who served as Senator from Alaska from 1968 to 2009. He was the longest-serving Republican Senator in history at the time he left office.

#### Scottish Council on Global Affairs

Under their Defence and Security Strand, SCoGA are promoting a project on Scotland and the High North. You may want to offer to facilitate introductions between SCoGA and the Ted Stevens Centre.

# **BRIEFING NOTE 6**

# Meeting with Kirsti Mijnhijmer - Head of Secretariat, NPA Programme

When	Wednesday 1 February 2023, 11:45 – 12:15
Where	Skybar 2 meeting room, Clarion Hotel The Edge
Key Messages	<ul> <li>The Northern Periphery and Arctic programme is a key strategic area for SG policy and we remain committed to building on the strong relationships we have developed within the geography.</li> <li>Many of the case studies of Scottish-Arctic collaboration we used in our Arctic policy framework refer to NPA projects.</li> <li>Scotland is delighted to accept observer status on the NPA Monitoring Committee for the 2021-2027 programmes.</li> <li>We recognise and appreciate that the experience and expertise of Scottish partners is missed within the programme.</li> <li>Officials continue to work closely with colleagues in devolved governments, and with the UK Government, to find an acceptable route to association.</li> <li>SG officials will keep in touch with your team developments.</li> </ul>
Who	Kirsti Mijnhijmer – Head of Secretariat, NPA programme  She has been with the NPA programme since 2008 and led on the development of the 2014-2020 Cooperation Programme document. She has longstanding experience of Interreg programmes and was previously employed by the Interreg North Sea Region Programme Secretariat, where she worked as Information and Communication Officer.  She sought to attend the launch of our Arctic policy framework in Orkney in November 2019 but her flight was cancelled due to adverse weather.
Why	To underline the importance that the NPA programme has had in supporting project-level collaboration between Scottish and Arctic partners, and stress our interest in remaining as closely involved as possible. Our Arctic policy framework commits us to lobbying the UK Government to finding a route for Scotland to participate in the NPA programme.
Social media	@NPA2014_2020
Briefing contents	Annex A – ETC and NPA programme – Core brief

#### ETC AND NPA PROGRAMME - CORE BRIEF

ANNEX A

- A total of 88 Scottish organisations have received 225 funding awards for territorial cooperation projects across ETC programmes There are 158 projects but 225 separate funding awards. This is because some projects fund more than one Scottish partner.
- To date they have been awarded over €83.8 million (over £71.8 million) under the 2014-2020 programmes.
- ETC programmes are valued as an established, cost-effective way for Scottish organisation
  to collaborate with international partners. Green, low carbon priorities have been identified
  by partners as particularly important, and Nordic countries, Ireland and NI the most popular
  geographies.
- UKG stated that ETC would be subsumed into the new UK Shared Prosperity Fund (UKSPF), which replaced mainstream European Structural Funds, but have chosen not to deliver.
- Neither the White Paper nor the Prospectus for the UKSPF commit funding to continue the type of international cooperation previously available through ETC programmes.
- The Regulations for ETC have the UK as a Third Country so there is no administrative impediment to participation. Rather it is UK Government choice to step away from such European programmes. Nevertheless, officials continue to maintain contact with the programme authorities with a view to finding a way to maintain involvement for our stakeholders and Scottish Government.

# Northern Periphery and Arctic programme (NPA)

- The NPA 2014-2020 forms a cooperation between 9 programme partner countries. The Member States of Finland, Ireland, Sweden and the United Kingdom (Scotland and Northern Ireland only) in cooperation with the Faroe Islands, Iceland, Greenland and Norway. Scotland (and NI) remain involved in the 2014-2020 programme as part of the Withdrawal Agreement. The Secretariat is based in Copenhagen.
- The NPA 2014-2020 is part of the European Territorial Cooperation Objective, also known as Interreg, supported by the European Regional Development Fund (ERDF) and ERDF equivalent funding from non-EU partner countries. The next NPA programme, is due to run from 2021-2027.
- Despite geographical differences, the large programme area shares a number of joint challenges and opportunities that can best be overcome and realised by transnational cooperation.
- It is the programme's vision to help to generate vibrant, competitive and sustainable communities, by harnessing innovation, expanding the capacity for entrepreneurship and seizing the unique growth initiatives and opportunities of the Northern and Arctic regions in a resource efficient way.
- The programme is **open for public and private partners of all kinds from inside the programme area**, e.g. regional and local authorities and other public sector organisations, research institutions and private entities delivering public service, private-public partnerships. Also, local and regional SMEs, specifically micro enterprises in remote and sparsely populated areas and business organisations, etc.

# **BRIEFING NOTE 7**

# Meeting with Prof Antje Boetius - Alfred Wegener Institute (AWI)

When	Wednesday 1 February 2023, 13:00 – 13:45
Where	Skybar 2 meeting room, Clarion Hotel The Edge
Points for discussion	<ul> <li>The Scottish Government is supportive of continued collaboration between AIW and Scottish institutions. These projects are crucial to address the changes occurring in the Arctic, which have a direct impact on Scotland.</li> <li>Commend AWI on its leadership of the MOSAiC expedition and congratulations on the Arctic Circle Prize 2022.</li> <li>Scotland has a growing Arctic research base and a strong tradition of marine, climate and glaciology research.</li> <li>With 9 members (soon to become 10) Scotland is the second-largest non-Arctic group within the University of the Arctic.</li> <li>Edinburgh will host Arctic Science Summit Week in March 2024. I hope you will be able to attend, and I would encourage you to promote participation among your colleagues.</li> <li>I know that your institute will be involved in the organisation of an Arctic Circle Forum in 2024 in Berlin. We are interested in participating. Scotland hosted a similar event in Edinburgh in 2017.</li> </ul>
Who	Prof Antje Boetius - Director, Alfred Wegener Institute
	She has served as AWI Director since 2017. Born in Frankfurt, she earned a PhD in microbiology from the University of Bremen, where she is still teaching and carrying out research. At the Arctic Circle Assembly 2022, she received the Arctic Circle Prize for AWI's role in managing and delivering the MOSAiC expedition (more at Annex A).
Why	The Alfred Wegener Institute (AWI) is one of the world's leading polar research organisations. Scottish and AWI researchers have collaborated regularly in recent years, though Brexit has had a clear impact on these links. You will want to underline the Scottish Government support for these collaborations, often focused on climate research, marine science and glaciology (all areas in which Scotland has a very strong tradition and offer).
	In 2024, in partnership with the German Ministry for Education and Research, the AWI will host a spin-off event of the Arctic Circle Assembly. It will be a key opportunity for engagement with European Arctic stakeholders.
Social media	@AWI_Media
Briefing contents	Annex A – Background information

#### **BACKGROUND INFORMATION**

ANNEX A

# Alfred Wegener Institute

- It is one of the world's leading polar research organisations and delivers significant contributions to international research on climate, marine and coastal issues.
- Based primarily in Bremerhaven, it also operates facilities in Potsdam and on Helgoland. It also operates permanent research stations in Antarctica and on Spitsbergen.
- It has an annual budget of more than 100 million Euros and a staff of more than 1000 employees.
- AWI coordinates polar research in Germany and provides the necessary equipment, infrastructure, and logistics for other German institutions and universities performing polar research.
- AWI spearheaded the MOSAiC expedition, possibly the largest ever Arctic research project. In September 2019, the German research icebreaker Polarstern set sail from Tromsø to spend a year drifting through the Arctic Ocean, trapped in ice. About 500 researchers from 20 countries were involved.
- At the Arctic Circle Assembly 2022, Prof Boetius received from Chairman Grímsson the Arctic Circle Prize for AWI's role in organising the MOSAiC expedition.
- Over the years, AWI has partnered with several Scottish institutions on projects concerning ocean science, climate change and glaciology. The strongest links are arguably with the Scottish Association for Marine Science (SAMS), University of Edinburgh and University of St Andrews.
- The AWI also have a sustained **marine ecosystem monitoring** site at Helgoland (a small island in the North Sea). Together with Marine Scotland's site at **Stonehaven**, it is the longest measurement sites in the North Sea.

#### **Arctic Science Summit Week 2024**

- The University of Edinburgh, on behalf of the Scottish Arctic Network (ScAN) will host ASSW in March 2024.
- This is the world's largest gathering of Arctic science organisations. More than 1,000 delegates are expected to attend over the course of the week.
- The 2022 conference was held in Vienna and the 2021 event here in Tromsø.
- DEXA supported the successful bid and is discussing with ScAN as well as NERC's Arctic Office a contribution to the budget required to deliver the event.
- We expect the Scottish Government to be recognised as one of the organising partners, together with the FCDO, [redacted s.32(1)(a) International relations].

#### **University of the Arctic**

- It is a an international and multidisciplinary network over of 200 institutions promoting research in and about the High North.
- Scotland has 9 members: University of the Highlands and Islands, University of Aberdeen, Glasgow Caledonian University, University of Strathclyde, University of Edinburgh, University of St Andrews, Robert Gordon University, Heriot-Watt University and Glasgow School of Art.
- The University of Dundee is expected to apply for membership this year. If accepted (which is likely), over half of all Scottish universities will be members of UArctic.
- Scotland is the second-largest non-Arctic group within UArctic behind China.

# **BRIEFING NOTE 8**

# Participation in plenary panel session "Moving to and from the North"

When	Wednesday 1 February 2023, 15:30 - 17:00
Where	Margarinfabrikken Clarion Hotel The Edge, Tromsø
Key Messages	<ul> <li>The Scottish Government has established a very strong partnership with Arctic Frontiers. Scottish Ministers have addressed this conference every year since 2019.</li> <li>We have a wealth of expertise that is relevant to our Arctic partners due to our shared geography and the challenges that we have in common. But there remains a lot that we can learn as well.</li> <li>For instance, rurality and low population density create complex issues that require us to pool our expertise.</li> <li>Scotland's first national Population Strategy was published in March 2021. It contains a commitment to engage with international countries to share learning and best practice on addressing demographic challenges.</li> <li>This discussion provides the opportunity to share some of the new and innovative approaches we are taking towards rural depopulation.</li> <li>Aide memoire and key points to raise attached separately</li> </ul>
Who	Participants listed at Annex A, biographies included at Annex H.
Why	You have been invited to provide a non-Arctic perspective during a solution-orientated panel discussion on population and migration issues in the Arctic. The challenges being faced in Scotland are similar in the Arctic.  Recent Scottish Government activity, from 2021's population strategy publication, your chairing of the Ministerial Population Taskforce and the practical policy tests devised for the
	forthcoming action plan means you are well-placed to add value to a diverse panel of participants.
	[redacted - s.30(b)(i) - Free and frank provision of advice]
Official Support Required	[redacted] – Arctic Policy Lead, Directorate for External Affairs
Social media	@arcticfrontiers
Briefing contents	ANNEX A: Session summary ANNEX B: Population Strategy and Ministerial Population Taskforce ANNEX C: Addressing Depopulation Action Plan ANNEX D: Rural and islands depopulation Annex E: Island skills and repopulation project ANNEX F: International Engagement including Japan island depopulation research

ANNEX G: Rural Visa Pilot ANNEX H: Biographies	
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SESSION SUMMARY ANNEX A

## Session structure

The session will begin with a video from RAND, USA. The Prime Minister of Norway, Jonas Gahr Støre, will then be invited to the stage for introductory remarks (5 min).

The session is divided in two heats. Each panellist will receive an opening question that and will have up to 2 minutes to answer, then there will be a panel discussion moderated by **Susannah Streeter**. We have asked for an additional question to formally announce Arctic Frontiers Abroad Scotland.

A seat has been reserved in the front row of the audience during the first part of the session.

Heat 1. Is invited to stage to join Prime Minister Støre (approx. 30 min)

- Ms. Abbie Tingstad, Associate Director of the Management, Technology, and Capabilities Program (MTC) in the Homeland Security Research Division of the RAND Corporation & Codirector of the Climate Resilience Center of the RAND Corporation
- Ms. Sara Olsvig, Chair, Inuit Circumpolar Council
- Mr. Tom Jensen, Chief Executive Officer of FREYR Battery

Heat 2. (approx. 30 min)

- Mr. Angus Robertson
- Ms. Lisa Murkowski, U.S. Senator for Alaska (joining remotely)
- Mr. Larry Ibrahim Mohammed, PhD Candidate, UiT The Arctic University of Tromsø, Norway
- Ms. Mia Ahlstrand, Project Leader for the North Sweden Green Deal at Develop Norrbotten
- Ms. Sigrun Agustsdottir, Director of the Environment Agency of Iceland

#### Session description from Arctic Frontiers programme

One of the greatest societal challenges facing the pan-Arctic region is outmigration, especially of youth. We are witnessing a demographic pattern in the Arctic where some population centres are growing, because members of smaller communities are moving to regional hubs in search of services, and education and employment opportunities.

Discussions on national and international level at times give the impression that protecting the Arctic and forbidding all development activities provides the best way of taking care of the region. But are there alternatives —focusing on sustainable development resulting in net positive impact, that can that help to reverse current demographic patterns? What are the factors that support people staying in the Arctic once they arrive? What is the role of new technologies in creating new opportunities in the Arctic? What are the different approaches to demographical challenges on the regional and national levels of governance? Should we fight against outmigration no matter how high the price?

Recent geopolitical developments have brought new perspectives related to the demographic development in the Arctic: the importance of the robust local communities from a national security point of view. Has there been a change in the national strategies? What are the short-term implications of this on the pan-Arctic scale?

This session will focus on the push and pull factors for local populations and will also shed light on the driving factors of in-migration and examples for successful measures from inside and outside the Arctic for maintaining local populations.

This session will focus on the push and pull factors for local populations and will also shed light on the driving factors of in-migration and examples for successful measures from inside and outside the Arctic for maintaining local populations.

# Sensitivities - Indigenous rights

There can be tension between state policies, particularly on economic development (eg mining), and the rights of Indigenous peoples in the Arctic. Should the discussion move in to this area we would suggest avoiding proactive involved. However, if pressed, we would recommend stressing the importance of Indigenous rights and essential value of community engagement.

#### ANNEX B

#### POPULATION STRATEGY AND MINISTERIAL POPULATION TASKFORCE

#### POPULATION STRATEGY

- Scotland is facing a set of long-term demographic challenges: an ageing population, a
  declining birth rate, uncertainty about migration in light of Brexit, and geographical
  population imbalances (with depopulation in many remote and rural areas in the West, and
  sustained population growth in other areas in the East).
- In March 2021, the Scottish Government published Scotland's first population strategy, A
   Scotland for the future: opportunities and challenges of Scotland's changing population.
   The strategy sets out the cross-cutting demographic challenges that Scotland faces at
   national and local level, and sets out a new programme of work to address these challenges
   and harness new opportunities.
- The strategy identifies 36 initial actions across four thematic building blocks:
  - o 'A Family Friendly Nation' As Scotland's birth rate is falling (and is the lowest in the UK), we must ensure Scotland is the best place to raise a family.
  - o 'A Healthy Living Society' As Scotland's population lives longer, which is to be celebrated, we must ensure that our people are healthy and active.
  - 'An Attractive and Welcoming Country' As Freedom of Movement ends, Scotland needs to be able to attract people who can make a positive contribution to our economy, communities and public services.
  - 'A More Balanced Population' With rural communities and those in the west experiencing population decline, while many in the east experience increased population growth, we must ensure our population is more balanced and distributed so all our communities can flourish.

## MINISTERIAL POPULATION TASKFORCE

- In 2019, the Scottish Government established a Ministerial Population Taskforce. This is chaired by the Cabinet Secretary for Constitution, External Affairs, and Culture.
- The Taskforce consists of more than 10 Scottish Ministers across a wide range of portfolios.
- It meets quarterly and aims to deliver the actions set out in the Population Strategy (published in 2021), and identify gaps where new areas of work can support a joined up approach across government.
- This year, the Taskforce has driven forward work including the development of a Talent Attraction and Migration Service for Scotland, an Addressing Depopulation Action Plan, and new evidence-building on adapting to demographic change.

#### ADDRESSING DEPOPULATION ACTION PLAN

ANNEX C

#### **TOP LINES**

- There is no quick fix for the challenges leading to depopulation and we must work with regional, local and community partners to ensure that we collectively deliver a sustainable solution to the challenges facing our island populations.
- In March 2022, it was announced that Scottish Government would be progressing with our commitment to developing an Action Plan to address the challenge of depopulation, with a view to publication in 2023.

#### **BACKGROUND**

- Delivering on the National Islands Plan, we will develop a strategic plan aimed at providing
  the policy framework to enable population retention and repopulation across rural and
  island communities, as well as harnessing the learning on adapting to long-term
  demographic change from the work undertaken by Scottish Government's Strategic
  Insights Unit.
- Proposals on this were presented at the Population Taskforce in May 2022.
- The Action Plan will have three key components:
  - Mainstreaming Depopulation;
  - Rural and Islands Depopulation; and
  - Urban Depopulation.
- The learnings and suggestions gathered through the Islands Bond consultation will be utilised in shaping a range of Practical Policy Tests to inform the Action Plan.
- This work will be driven forward over the next 12 months, in close collaboration with rural and island communities and local authorities, delivering interventions that respond to their unique needs.

#### RURAL AND ISLANDS DEPOPULATION

ANNEX D

#### **TOP LINES**

- The sustainability of rural and island communities is vitally important. We want to see a Scotland in which everyone can play a full part in society, with empowered communities able to shape their individual and collective futures.
- Many rural and island local authorities are experiencing acute population decline combined
  with severe skills shortages. This is the result of both negative natural change and negative
  net migration, with relatively low levels of international migration and higher levels of outmigration. Migration is heavily concentrated amongst younger people leading to
  increasingly ageing population in some communities.
- The Population Strategy's building block for 'A More Balanced Population' tied together
  commitments to repopulate rural and island communities. Using existing evidence
  available, it framed the principles for future responses, as well as the need for further
  exploration into place-based solutions on jobs, infrastructure (digital and physical), and
  services for impacted communities.
- There is a focus on Rural and Island Depopulation through the development of the Addressing Depopulation Action Plan, thus aligning with the Population Strategy's 'More Balanced Population' pillar and the National Islands Plan.

#### **BACKGROUND**

- Depopulation was the top priority issue identified by respondents to the National Island's Plan consultation. The National Islands Plan was launched on 27 December 2019. It seeks to address population decline and ensure a healthy, balanced population profile.
- We recognise the challenges around population change for some rural and island communities and we are committed to developing an action plan to support population growth in these areas and working with partners to test approaches using small scale pilots.
- Scottish Government is committed to promoting inclusive growth and creating opportunities
  for all to ensure a vibrant, sustainable and productive rural economy, and we recognise that
  addressing the challenges around population change will be essential to delivering this.

#### ISLANDS PROGRAMME

- The Scottish Government is providing £4.45 million across all six island local authorities to
  enable us to work together to support critical projects and to help make our islands even
  better places to live, study, work and raise a family.
- This funding is complemented by ongoing planned investment which is designed to support those living on Scotland's islands and will involve communities in the decisions on how and where investments are made.
- 15 applications were received in total and individually ranged from £72,000 to £1,500,000. 11 projects have been approved to receive a share of the £4.45 million Islands Programme funding in the current financial year.
- This funding is spread across 31 islands. Successful applications include projects directly supporting population retention and growth, new facilities to deliver services helping to alleviate child poverty, innovative circular economy solutions, measures to address climate change impacts, development of digital and community hubs, management of tourism impacts, iconic heritage projects, and support for key local services.
- It is important to note that in 2022/23 the Islands Programme is being run as competitive bid model, with Local Authorities as the lead applicants.

#### **RURAL COMMUNITIES**

- Scotland has a long established reputation for engaging with its rural communities in an inclusive and enabling way. We work with and through our established Rural Community Networks to enable local decision making.
- Using these networks, Scottish Government are meeting national aims through a
  community led approach to rural development. We have retained the European LEADER
  infrastructure so that valuable capacity and "understanding of place" is not lost and are also
  testing other streamlined delivery routes that meet the needs of rural communities.

# **COMMUNITY LED LOCAL DEVELOPMENT**

- Scottish Government recognises the need for fresh approaches on long-standing issues impacting on rural and island development, and also seizing opportunities to strengthen rural and island Scotland's contribution to build a more just, resilient and sustainable nation.
- Continuing support for capacity building remains a critical issue. Local community
  development at least in a comprehensive way across Scotland has long been
  challenging, and the issues have been particularly exacerbated by the problems caused by
  Brexit, the COVID-19 pandemic and the ongoing cost crisis. However, if local community
  structures are to thrive, they need support as rural Scotland emerges from the difficulties
  experienced over the last year.
- Rural Communities are driving many of the changes we want to see across Scotland, and
  that is why this year we have invested £11.6m in our rural communities to allow them to
  address local challenges and opportunities, including over £7m through the LEADER Local
  Action Group network and the £3m Rural & Island Communities Ideas into Action Fund
  delivered in partnership with Inspiring Scotland.

#### ISLANDS SKILLS AND REPOPULATION PROJECT

ANNEX E

## **Top Lines**

- In partnership with SDS, HIE and Local Authority partners from the CoHI Population Working Group, we have been developing an "Island Skills and Repopulation" project in FY 22/23 to explore bespoke solutions to skills development and employment challenges in island communities.
- A primary driver of this project is to test the hypothesis that there are particular barriers to skill acquisition in island communities that are impacting negatively on their ability to retain and attract people.
- As such, we aim, through this partnership with CoHI members to:
  - deliver interventions that signpost and fund skills solutions that meet local needs and employment priorities to keep people in or allow people to move to locations that are suffering from acute population decline; and
  - combine this with evidence building in order to help inform best practice and policy development across SG, SDS, HIE and local authorities.
- Skills Development Scotland have undertaken research to evidence the rationale for partners to deliver this project with the aim of stimulating repopulation whilst also creating learning and skills opportunities to upskill and reskill those living and working in island communities.
- This research included a brief review of existing strategies, action plans and investment (through Growth Deals and other mechanisms) shows that there is already a range of existing activity and highlights the importance of complementing rather than duplication activity which is already underway.
- The local authorities have taken the lead on implementing the project in their own communities, allowing for: Identification of specific need within island communities; Awareness of existing provision within island communities; Recognition of local opportunities; and Access to local providers.

## **Case studies**

#### Western Isles - Press Release

- This pilot will run from January 2023 to March 2023 and will implement a blueprint infrastructure that will provide a skills solution that meets the bespoke needs of the Uists which will then meet the local needs and employment priorities to help keep people in or allow people to move to areas within the Uists that are suffering from acute population decline.
- The pilot will seek to create a sustainable 'on-island' employment infrastructure that will target investment in skills that are responsive to the individual local needs of the Uists.
- This will include a wide range of training including employment pathways, training/retraining packages and innovative, bespoke solutions that are needed to reduce the population decline the Uists are currently seeing.
- All will be delivered in partnership with local communities, employers (public, private and third sector) and local based training provider Cothrom.

#### North Avrshire - Press Release

- North Ayrshire Council intends to develop and deliver a small-scale pilot and bespoke 'North Ayrshire Islands Skills Initiative' (NAISI) project to support education and skills interventions on the islands of both Arran and Cumbrae.
- The project will focus on individual island needs and pilot new approaches to address key education and skill challenges to meet local needs and demands.
- Outcomes from this exclusive island pilot will inform the wider Ayrshire Growth Deal investment and the planned Ayrshire Skills Investment Fund, currently in development to be launched in 2023 and will be delivered until March 2028.

# ANNEX F INTERNATIONAL ENGAGEMENT, INCLUDING JAPAN ISLAND DEPOPULATION RESEARCH

# <u>Scotland is not alone in facing demographic challenges, and it can learn from other countries.</u>

- The Population Strategy contains a commitment to engage with international countries to share learning and best practice on addressing demographic challenges, and to carry out further evidence gathering and analysis on existing policies and literature to identify further areas for exploration.
- As part of our international engagement, the Scottish Government have looked to learn lessons across a range of international partners including the Nordics, Japan, Canada Spain and Ireland.

# The Scottish Government recently worked with researchers to publish a report exploring policy approaches to depopulation in Japan, and how these may carry lessons for Scotland.

- The research report was commissioned from a team based at the Rural Policy Centre at Scotland's Rural College, Akita International University Japan and Tokyo University of Agriculture and Technology.
- The findings of this research will be used to inform the development of the Addressing Depopulation Action Plan, the ongoing delivery of the National Islands Plan, as well as future engagement with Japanese partners.
- The findings of this research, while focussing specifically on Japan and Scotland, may have broader relevance for island communities across the Arctic region which are experiencing challenges related to depopulation.

# In October 2022, members of the Scottish Government independent Expert Advisory Group on Population and Migration hosted a series of events exploring the issue of rural depopulation, with a visiting professor from the University of Zaragoza in Spain.

- The programme of events was between the Highlands and Edinburgh and will be hosted by members of the Expert Advisory Group and Scottish Government officials.
- The visit explored initiatives to tackle depopulation, attraction and retention, and the policy delivery landscape both in Spain and Scotland.

RURAL VISA PILOT ANNEX G

# The Migration Advisory Committee, in their report of May 2019, recommended the UK Government pilot a scheme to attract and retain migrants in remote areas.

- They highlighted that the current immigration system was 'not very effective' in facilitating migration to remote areas.
- The then-Home Secretary, Sajid Javid, accepted that recommendation to develop a pilot scheme in a Written Ministerial Statement on 23 July 2019.
- That is why the Scottish Government has worked with local authorities, key business sector organisations, and our Expert Advisory Group on Population and Migration to design a practical and deliverable pilot proposal to facilitate migration to remote and rural communities.
- The development of this proposal has been led jointly by Mairi Gougeon, Cabinet Secretary for Rural Affairs and Islands, and Neil Gray, Minister for Europe, Culture, and International Development.

# This proposal calls for the establishment of a Scottish Rural Community Immigration Pilot (SRCIP). The Pilot would represent a new community-driven approach to local migration modelled on successful immigration schemes in Canada.

- The scheme would allow rural and remote communities to attract migrants in line with their distinct needs.
- Due to the integrated settlement support offered to incoming migrants and the focus on a community-driven scheme which responds to local need, the objective of the scheme is to promote and support long-term integration within our remote, rural and island communities.
- In responding to the need identified by local communities, the proposed scheme would initially accept up to a total of 300 migrants per designated pilot area.
- This approach is designed to enable targeted delivery where there is clear need, and facilitate evaluation of the extent to which the pilots are effective in achieving the intended outcome of sustainably supporting communities.

# The Rural Visa Pilot proposal was endorsed by a clear majority in the Scottish Parliament during a parliamentary debate on Scotland's Population on Tuesday 27 September.

Following the endorsement of the proposal, Mairi Gougeon, Cabinet Secretary for Rural Affairs and Islands wrote to the Home Secretary, Suella Braverman MP, requesting that the UK Government works with the Scottish Government and local partners to establish and deliver the proposed scheme, to address the urgent need for targeted migration solutions expressed by Scottish rural and island communities during the development of the proposal. We have yet to receive a response to the proposal.

# The MAC's Annual Report 2022 restated their position regarding the need to pilot such a scheme for rural and remote areas.

- Referring to the Scottish Government's proposal, it noted that "it is in the interest of the UK Government to pilot and evaluate a rural visa targeted at areas facing depopulation".
- The MAC's assessment of the proposal is generally positive, judging that it is "sensible and clear in both scale and deliverability".

#### PROPOSED SCHEME OPERATION

## Participating employer-sponsors within designated geographic areas, referred to as Community Pilot Areas, would advertise vacancies (using SRCIP bespoke entry criteria).

- Employers and communities would then be able to assess prospective candidates, before recommending chosen candidates to the Home Office for final approval and security checks
- Once a decision is approved, community partners including employers, local statutory, and third sector services – would offer a package of integrated settlement support services for newcomers.
- Participating employers, in collaboration with Scottish Government and UK Government organisations, would also have responsibility for ensuring that terms and conditions of the scheme continued to be met.

# Migrants would be required to adhere to conditions of employment whereby they are employed within the designated Community Pilot Area, with restrictions easing gradually over a period of four years.

- After four years, restrictions would lift and migrants would be free to work anywhere in the UK, outside of their Community Pilot Area.
- Due to integrated settlement support offered and the focus on a community-driven scheme, it is the desired and intended outcome of the pilot that a majority of migrants would have established deeper roots in the community, and would continue to stay there beyond the four years.

BIOGRAPHIES ANNEX H

Moderator: Susannah Streeter



Susannah worked for the BBC from 2003-2020. She was the anchor of the flagship daily business news programme World Business Report on the BBC World Service and BBC World TV. She also regularly hosted other international BBC shows such as Business Matters, Business Live and Talking Business. Prior to covering an international news agenda, Susannah was a regular face on BBC One's Breakfast, reporting live from across the UK and Europe.

In August 2020, she joined Hargreaves Lansdown as a Senior Investment & Markets Analyst, where she give expert analysis and commentary for TV, Radio, online and print. **She had been confirmed as Moderator for Arctic Frontiers Abroad Scotland.** 

#### Norwegian Prime Minister Jonas Gahr Støre



Mr Støre's became Norway's Prime Minister in October 2021. His political career started when he was employed as Special Adviser at the Office of the Prime Minister, and in 1995, he was appointed Director General of its Department of International Affairs. Jonas Gahr Støre was Minister of Foreign Affairs in Jens Stoltenberg's second government from 2005 to 2012, and then Minister of Health and Care Services until the change of government in 2013. Before that, he was State Secretary and Chief of Staff at the Office of the Prime Minister in 2000–2001.

Mr Støre became Leader of the Labour Party in 2014 and has been a member of the Storting for Oslo since 2009. He has served on the Standing Committee on Finance and Economic Affairs, the Standing Committee on Foreign Affairs and Defence, and the Enlarged Committee on Foreign Affairs and Defence.

Abbie Tingstad, Associate Director of the Management, Technology, and Capabilities Program (MTC) in the Homeland Security Research Division of the RAND Corporation and Co-director of the Climate Resilience Center of the RAND Corporation



Abbie Tingstad is an Associate Director of the Management, Technology, and Capabilities Program (MTC) in the Homeland Security Research Division and co-director of the Climate Resilience Centre, and a senior physical scientist at the RAND Corporation.

Her research focuses on issues related to strategy and planning in defence and homeland security, and for the environment. Ms Tingstad received her Ph.D. in geography from the University of California, Los Angeles. Prior to that, she was awarded an M.Sc. in environmental

geomorphology from the University of Oxford, and a B.S. in mathematics from the Massachusetts Institute of Technology.

#### Lisa Murkowski, Senator, Alaska (she will join virtually)



Lisa Ann Murkowski is an American attorney and politician serving as the senior United States senator for Alaska, having held that seat since 2002. Murkowski was vice chair of the Senate Republican Conference from 2009 to 2010. She served as chair of the Senate Energy and Natural Resources Committee from 2015 to 2021, and has served as vice chair of the Senate Indian Affairs Committee since 2021.

She holds a B.A. degree in Economics from Georgetown University in 1980. She received her Juris Doctor degree in 1985 from Willamette University College of Law. She is a daughter of former U.S. senator and governor of Alaska Frank Murkowski.

#### Sara Olsvig, Inuit Circumpolar Council Chair



Sara Olsvig is a Ph.D.-candidate at the University of Greenland. She served as member of the Parliament of Denmark (2011 – 2015) and the Parliament of Greenland (2013 – 2018). She has been leader of the political party Inuit Ataqatigiit. Her previous posts include Vice Premier and Minister of Social Affairs, Families, Gender Equality and Justice in the Government of Greenland from 2016 to 2018 and Chairperson of the Standing Committee of Parliamentarians of the Arctic Region from 2013 to 2014.

Olsvig is an appointed member of the Constitutional Commission of Greenland, and member of the Human Rights Council of Greenland. She holds a MSc in Anthropology and has previously worked as Executive Director for Inuit Circumpolar Council Greenland, to which she today is a delegate.



# Mia Ahlstrand, Project Leader for the North Sweden Green Deal at Develop Norrbotten

Ms Ahlstrand is a project manager for North Sweden Green Deal which highlights the societal transformation that northern Sweden is currently facing. She campaigns for larger workforce, housing, increase in public services and better infrastructure to meet the needs of the region and the changes it is undergoing.

### Sigrún Ágústsdóttir, Director of the Environment Agency of Iceland



Sigrún Ágústsdóttir is the Director General of the Environment Agency of Iceland. She has been working for 27 years in the Icelandic administration including the Icelandic Ministry of Environment from 2000-2008 and the Environment Agency since 2008. She was appointed Director General of the Environment Agency in February 2020. She has extensive experience in the Nordic and European cooperation and holds degrees from the University of Iceland and the University of Oslo.

Tom Einar Jensen, Chief Executive Officer of FREYR Battery



Tom Einar Jensen is Co-founder and CEO of FREYR Battery, a producer of clean battery solutions, since 2019. Mr. Jensen is also a Co-Founder and Partner at EDGE – a global advisory, investment, and project development firm aiming to catalyse responsible solutions in the sustainability space. Prior to this, Mr. Jensen has served different senior management roles at Norsk Hydro, SYSTEMIQ and Joule Unlimited as well as the CEO role at Agrinos.

#### Larry Ibrahim Mohammed, PhD Candidate, The Arctic University of Tromsø, Norway



Larry Ibrahim Mohammed is a Ph.D. Research Fellow in Comparative Indigenous Studies at UiT- The Arctic University of Norway.

Mr Mohammed served as an Envoy from The Arctic University of Norway to Arctic Frontiers where he managed the Arctic Frontiers Student Forum (2020 and 2021) and also coordinated young programs under the Arctic Frontiers Young portfolio. He also participated as a delegate in two Youth Assemblies at the United Nations in New York and volunteered at the 12th Expert Mechanism on the Rights of

Indigenous Peoples (EMRIP) in Geneva. Mr Mohammed's academic interest stretches from International Indigenism, Arctic governance, and resource extraction and conflict resolution. His current Ph.D. topic is "In pursuit of Self-Determination; Indigenous Peoples voices in search of impacts; A comparative study of renewable energy in Norway and Canada.

#### **BRIEFING NOTE 9**

## **Arctic Frontiers reception**

When	Wednesday 1 February 2023, 19:30 – 22:00
Where	Radisson Blu Hotel Sjøgata 7, 9259 Tromsø (300 metres from the conference hotel)
Key Messages	<ul> <li>The Scottish Government published its first Arctic policy framework in 2019. It is a prospectus for greater cooperation with Arctic countries.</li> <li>Scotland is the world's northernmost non-Arctic nation. We share deep cultural, economic, social and policy links.</li> <li>We want to work bilaterally and multilaterally with like-minded partners to develop joint solutions to shared challenges and seize the economic opportunities that come with it.</li> <li>Arctic countries are key trade partners for Scotland, accounting for around 27.5% of our total exports and five of our top 20 export destinations.</li> </ul>
Who	Most delegates are expected to attend the reception. We expect EU Ambassador at large for the Arctic Clara Ganslandt and Leader of the Orkney Islands Council James Stockan to seek brush-bys with you.  Cllr Stockan postponed his arrival in Tromsø to meet with the DFM in Edinburgh on additional funding for Orkney's ferries. Lines are available at Annex A. Officials will also update you on the content of the meeting ahead of this possible engagement.
Why	This reception is the centrepiece social event of this year's Arctic Frontiers conference. A buffet of Arctic dishes will be served, with drinks and live music from local musicians.  The reception offers the opportunity to network with other key conference attendees. Officials will help facilitate introductions during the event.  Doors open at 19:30. It ends at 22:00 but the Cabinet Secretary will be free to leave before then.
Social Media	@arcticfrontiers #ACF2023
Briefing contents	Annex A – Lines for brush-by with Cllr James Stockan

#### LINES FOR BRUSH-BY WITH CLLR JAMES STOCKAN

#### Local authority ferries/ levelling up

- We recognise the challenge for local authorities that have responsibility for ferries, and have provided more than £136m over the last 5 years to support the running of these services.
- The Deputy First Minister has already committed as part of the budget process to further work to support both Shetland and Orkney in developing their fleet replacement plans, recognising the challenges these islands face.
- We are aware of the growing need for local authorities to replace aging ferry fleets and infrastructure, and while responsibility for funding replacement infrastructure does remain wholly with the councils, we are committed to continuing engagement.
- The revenue funding distribution for 2023-24 will be confirmed as soon as possible.
- Shetland Island Council has been awarded £27m through the UK Governments Levelling Up fund which, although welcome, needs to be set in context of the overall need and the significant annual funding already provided to Local Authorities to support the running of services (over £30m per year).

#### **Islands Growth Deal**

#### Q How much is SG investing in the Islands Deal and what will it deliver?

We signed the Islands Deal on 20<sup>th</sup> January <u>in Orkney</u>, confirming a £50 million investment from the Scottish Government to develop infrastructure, skills and innovation in key industry sectors to unlock the full potential of our islands economies. 16 projects and programmes will be supported by the Deal on these themes, which are being developed and delivered by local authorities and other regional partners.

### Q What projects is Scottish Government investing in through the Islands Deal?

Our £50m investment will be spread across 13 of the projects and programmes as follows:

- £16 million will support Low Carbon three projects, contributing to net-zero commitments by supporting energy transition, delivering port infrastructure for oil and gas decommissioning, and piloting carbon neutral solutions on the islands.
- £15.5 million will support six projects in the Growth and Future Industries theme, through the development of significant Island tourism and cultural assets, and innovation in key sectors like Space, Food and Drink and Creative Industries.
- £18.5 million will support four projects in the Thriving Sustainable Communities theme, through expansion of existing learning facilities, affordable housing, and a skills programme targeting key sectors including renewable energy.

#### Background

- The Islands Growth Deal is one of 12 City and Region Growth Deals and the tenth to go into delivery. SG has committed over £1.9 billion to the Deals programme and associated investments across Scotland overall in the next 10 to 15 years.
- Growth Deals are partnership programmes between the Scottish and UK Governments, Local Authorities and other regional partners aligning funding for strategic projects behind shared ambitions for regional economies.
- The £100 million investment from both Governments in the Islands Deal will result in a total
  of £33.3 million of SG and UKG funds being invested in Orkney and Shetland, with £33.4
  million to Comhairle nan Eilean Siar.
- Regional Partners expect the Deal to attract further investment of £293 million. Regional
  partners also anticipate that the Deal is likely to create up to 1,300 sustainable jobs aimed
  at retaining and attracting young talent on the islands.

#### OFFICIAL - SENSITIVE

Of 16 projects/programmes, 5 will be located in Orkney, including:

Themes and Projects / Programmes	Deal Investment £m (SG/UK)	Project Description
Islands Centre for Net Zero (Orkney led) *	16.5 (0.5/16)	Will pilot innovation in island transitions to net zero through research and development and in collaboration with
	(0.0/ 10)	businesses and communities.
Scapa Flow Future	6.5	Position Scapa Flow as a world-class green energy centre
Fuels Hub (Orkney)	(6.5/0)	of excellence for marine refuelling.
Orkney World Heritage	6.5	Create a new visitor experience at Orkney's Heart of
Gateway	(5.5/1)	Neolithic Orkney World Heritage Site.
Orkney Community	2	Establish Orkney as a leader in the design of vertical
Vertical Farm	(0.5/1.5)	farming within an island and rural context.
Orkney Research &	8	Provide facilities for low carbon, marine engineering and
Innovation Campus	(0/8)	associated technology businesses.

#### Carbon Neutral Islands & Islands Energy Strategy

- <u>The Carbon Neutral</u> Islands project will support six islands in Scotland (Yell, **Hoy**, Barra, Raasay, Islay and Great Cumbrae) to become carbon neutral in a just way.
- We are supporting the six islands to carry out a carbon audit, which will provide the baseline they need to build their Community Climate Change Action Plans. This will be accompanied by a Climate Change Investment Strategy, which will have three finance drivers: existing public funding, public-private partnerships and private investment.
- We have committed £820,000 to support the work related to these audits, plans and investment strategies.
- Our delivery partner Community Energy Scotland is working locally to deliver the audits and plans, which will be done in a bottom up way, working with communities.
- Each island has a steering group and employs someone directly within a local anchor organisation to support this process.
- The project is intended to benefit all Scottish islands, not only those included directly as part of the project. This will be through knowledge exchange and sharing of good practices stemming from implementation.
- This year we are also map net zero related skills with a view of working with partners to strengthen training and programme delivery in these fields.
- We published a progress report setting out the steps taken so far on 19 January 2023.

### **BRIEFING NOTE 10**

## Breakfast meeting with Anu Fredrikson - Executive Director, Arctic Frontiers

When	Thursday 2 February 2023, 8:30 – 9:00
Where	Restaurant Clarion Hotel The Edge
Key Messages	<ul> <li>We value our relationship with Arctic Frontiers. Regular Ministerial presence at this conference is a key tool for establishing new links with Arctic partners.</li> <li>We remain committed to working with you and hope to continue to participate int this conference in future years.</li> <li>My officials will work with your team to confirm plans for Arctic Frontiers Abroad. We hope it will be possible to find a suitable solution.</li> <li>Interested in how Scotland could increase its involvement in the conference further.</li> </ul>
Who	Anu Fredrikson – Executive Director of Arctic Frontiers  Anu is originally from Oulu in Northern Finland. She has a master's degree in International Relations from the University of Tampere in Finland and holds a Certificat d'Etudes Politiques from Institut d'Etudes Politiques de Lille in France. She has also studied in the United States and Norway.
	Prior to joining Arctic Frontiers, Anu served as Director of the Arctic Economic Council and as an Advisor in Political Affairs and Arctic Policy at the Embassy of Finland in Oslo.
Why	The Scottish Government and Arctic Frontiers have worked regularly together since 2019, with Scottish Ministers attending the last five conferences (virtually in 2021). We want to ensure there is no "engagement fatigue" at their end and stress our interest in continuing with this collaboration.  This is also an opportunity to review plans for the Arctic Frontiers
On sint Martin	Abroad event. [redacted – s.30(b)(i) - Free and frank provision of advice].
Social Media	@ArcticFrontiers @AnuFredrikson
Briefing contents	Annex A – Speaking points

SPEAKING POINTS ANNEX A

#### **Scottish Government and Arctic Frontiers**

 Scottish Ministers have addressed this conference every year since 2019, each time focusing on a different theme – from community regeneration and aquaculture, to just transition and sustainable transport.

- It demonstrates that Scotland has a wealth of relevant expertise to offer to Arctic partners, in a rich range of areas.
- Arctic Frontiers has allowed us to establish new links, promote Scottish expertise and create
  opportunities for collaboration with Arctic partners on shared challenges and ambitions. We
  look forward to continuing to participate in the coming years.
- [redacted s.30(b)(i) Free and frank provision of advice]

**Ask**: Interested in your thoughts on how Scotland can increase its profile at Arctic Frontiers further. What other opportunities are there for our experts to be involved?

**Offer:** We are grateful for your support with securing Ministerial participation from Norway at the Aberdeen event.

**Offer**: Mr Urmas Paet MEP, Vice-Chair of the European Parliament's Foreign Affairs Committee, had accepted our invitation to speak at the event. We remain committed to delivering a successful conference with prominent experts.

#### Scotland and the Arctic

- I know you have been **working with my officials for years**, first as Director of the Arctic Economic Council and now as Executive Director of Arctic Frontiers.
- Since the publication of our Arctic policy framework in 2019, we have seen an increase in Scottish-Arctic collaboration and we have sought to promote Scotland as a key partner for the Arctic region. We are, after all, the **world's most northernly non-Arctic nation**.

**Ask**: Interested in your views on how Scotland is viewed in the Arctic community. Is there a clear understanding of our offer? And what more could we do to intensify our involvement in Arctic dialogue?

#### Russia and Arctic geopolitics

• I understand Arctic Frontiers used to attract regular participation from Russian academics, indigenous groups and local government politicians in past year.

**Ask**: How is the current geopolitical instability affected your conference and how do you see the situation developing in the coming months? What are your thoughts on the upcoming Norwegian presidency of the Arctic Council?

**Ask**: As a resident of the Norwegian Arctic, how are local communities and businesses dealing with these increased geopolitical tensions and a shared border with Russia.

## BRIEFING NOTE 11 Visit to Tromsø harbour and meetings with energy companies

When	Thursday, 2 Febr	ruary 2023, 9:30 – 12:30
Where	Tromsø Harbour	_
	Terminalgata 44,	
Who		Erling Dalberg – Executive Vice President Markets and Technology, Troms Kraft  He has been involved at management level at Troms Kraft since 2007 and has been in his current role since 2019.
		Julien Moisan – Project Manager, Smart Senja at Arva
		He has project management experience from the oil and gas industry and the space industry. He worked in Innovation Norway as a senior advisor responsible for internationalization growth, and sustainability.
		Tomas Solstad – CEO, Fjuel
		He graduated from the University of Tromso with a degree in economics. As well as CEO of Fjuel (since March 2021) he is also Director of PwC Norway.
		Jørn-Even Hanssen – Port Director, Tromsø Havn Prior to starting in the current role, he served as Vice President of Norwegian multinational maritime group Wilh. Wilhelmsen Holding ASA (2012-2018). He was also Executive Vice President of Bertel O Steen Holding AS (2007-2012).
Why	production of gre	about local energy innovation projects, including on the en ammonia and the decarbonisation of port infrastructure. opportunity to promote Scottish expertise and our status as rgy pioneer.
	facilities will allo shipping routes a	th the management of Tromsø harbour and visit of their w you to gauge local thinking on the opening of new and enquire about their links with Scottish ports, offering to tions where appropriate.
		Fromsø harbour had been invited to speak at the Arctic devent in Aberdeen.
Briefing contents		da and background information ne decarbonisation – Core brief
	Lines on hydrog	gen are available at note 21 page 70

#### AGENDA AND BACKGROUND INFORMATION

ANNEX A

09:30 – 09:45 Welcome and introductions

**09:45 – 10:15 Meeting with Troms Kraft** (including on Neptun Tromsø project)

Troms Kraft is a publicly owned power company operating ten hydroelectric power plants and one windfarm (the largest in Northern Norway) in the Troms area, for a combined production of approximately 1100 GWh (approx. the annual consumption of 50,000 households).

<u>Project Neptun</u> involves the establishment of a large-scale facility for the production of green hydrogen and green ammonia in Tromsø. Production is expected to start in 2025, with an annual ammonia production volume of 50,000 to 70,000 tonnes in the first project phase.

Troms Kraft is one of three partners behind Neptun, together with Prime Capital 9 (asset manager and financial services provider) and Magnora (one of the Norwegian companies who were successful in the ScotWind leasing round).

#### **10:15 – 10:45 Meeting with Arva** (including Smart Senja project)

Arva is largest grid company in northern Norway, with a network stretching approximately 15,000 kilometres over land, sea and air. Troms Kraft is the majority owner with 60%, Bodø Energi own the remaining 40%. The word Arva originates from Northern Sami and means "energy".

The island of Senka – located south of Tromsø – has experienced a stark increase in demand for electric power in recent years given the development of new local industries, and especially the widespread use of robotics in the food processing sector. The installation of new powerlines would be costly and time-consuming. The Smart Senja project seeks to achieve an even distribution of electrical load between day and night by means of advanced power management systems in private households and local businesses, and the installation of large battery storage facilities.

#### 10:45 – 11:15 Meeting with Fjuel

Fjuel is co-owend by Troms Kraft and the Port of Tromsø. It advises ports, municipalities and transport companies on the decarbonisation of port facilities and the development of infrastructure for shore power and charging of ships, with a view to accelerating electrification and the shift to a greener shipping sector.

11:15 - 11:25 Break

#### 11:25 – 11:55 Meeting with Tromsø Harbour

One of Norway's largest fishing ports, an important logistics hub for northern Norway and a large cruise port. Located at 69° north, it welcomes 1 million passengers and responds to almost 9,000 ship calls at year.

<u>Note</u>: the port of Tromsø is one of three Norwegian ports (together with Kirkenes and Båtsfjord both in the Arctic) that are still granting access to Russian vessels.

#### 11:55 – 12:30 Tour of the port in Breivika

#### **TOP LINES**

- The Scottish Government is committed to the decarbonisation of the transport sector in a sustainable way to deliver a just transition.
- The recent publication of the updated Climate Change Plan includes commitments to work with those challenging transport modes, such as the maritime sector, including commitments that by 2032 30 per cent of Scottish Government ferries will be low emission, and low emission solutions will be widely adopted at Scottish ports.
- The efficient and effective movement of goods is crucial for a robust economy and work to decarbonise the maritime sector will take account of the critical importance of the freight and logistics sector in our supply infrastructure.
- We will also continue to examine the potential utilisation of hybrid and low carbon energy sources in the public sector marine fleet.
- It is important to recognise that the maritime sector is a global industry and, beyond Scotland's lifeline ferry services, our ability to effect change is limited. Therefore, we are committed to working with the UK Government to support decarbonisation proposals at the International Maritime Organisation.

#### **Decarbonisation of the Maritime Sector**

- The most recent Climate Change Plan update is deliberately high level in respect of maritime decarbonisation, recognising that in a global industry with international operators, Scotland's ability to effect change is limited.
- The Climate Change Plan update commits us to work with the UK Government to support proposals at the International Maritime Organisation (IMO) to significantly lower shipping carbon emissions in the global sector, including the option of introducing a global levy on marine fuel to fund research in cleaner technologies and fuels.
- There is a further commitment for low emissions solutions to be widely adopted at Scottish ports by 2032.
- The composition of Scottish ports comprises those owned privately, by local authorities and by Trusts and, beyond those ports serving lifeline ferry service, this ownership model limits our ability to effect change.
- Any low emission solutions need to be proportionate to the scale of operations of an individual port.

#### **BACKGROUND**

#### **Brief description**

#### **Maritime Freight Services**

- In 2019, 67 million tonnes of freight was handled by Scottish ports.
- One third of Scotland's total freight tonnage, including exports, was moved by water.
- The Maritime Sector in Scotland makes a substantive macroeconomic contribution to the Scottish and UK economies through business turnover, Gross Value Added (GVA), employment and through the compensation of employees. It is estimated that the

Maritime Sector directly supported just under £9.9 billion in turnover, £3.7 billion in GVA and 41,000 jobs in Scotland in 2017. This respectively equates to approximately 21% of turnover, 27% of GVA and 19% of employment directly supported by the UK-wide Maritime Sector in 2017.

- With a large proportion of employment in the Marine Oil and Gas activities concentrated in Scotland, the marine engineering and scientific industry is the largest constituent industry within the Scottish Maritime Sector in terms of economic activity, directly contributing £2.5 billion in GVA and directly supporting around 29,000 jobs in 2017. This compares to £860 million and £240 million in GVA directly contributed by the shipping and ports industries respectively in Scotland.
- Employees in the Scottish Maritime Sector are found to be highly productive in the eight years considered in this study. The average job is estimated to have contributed around £90,600 in GVA in 2017; this compares favourably to productivity in the UK Maritime sector of £77,400 and £54,330 across the UK in general. There is thus a large proportion of high value jobs in the Scottish Maritime Sector.
- After quantifying the aggregate economic impacts through the industry supply chains and induced effects on expenditures, it is estimated that the Maritime Sector in Scotland helped to support a total of £7.8 billion of GVA in 2017, an increase from £6.8 billion in 2010.
- These aggregate economic impacts associated with the Scottish Maritime Sector also extend to business turnover, employment and the compensation of employees. It is estimated that the Maritime Sector in Scotland helped to support a total of £19.5 billion in turnover (through business turnover), 155,000 jobs and £5.1 billion through the compensation of employees in 2017.

#### **DEFENSIVE LINES / MEDIA HANDLING**

# Maritime freight services are largely international operations. How can Scotland drive change in the sector?

- We recognise that without a global solution, any measures introduced by Scotland may actually serve only to divert maritime freight movements away from Scotland to ports where no such restrictions apply.
- Unlike road vehicles, the lifespan of vessels in often considerably longer, and associated costs are significantly higher.
- In terms of international freight movements, Scotland's role is primarily to work with the UK government and the IMO to influence change.
- Domestically, the Scottish Government have many more levers to deliver change in the lifeline ferry fleet.

[Redacted - s.30(b)(i) - Free and frank provision of advice]

#### **BRIEFING NOTE 12**

## Meeting with Andreas Bjelland Eriksen State Secretary, Energy and Petroleum, Norway

When	Thursday 2 February 2023, 13:00 – 13:45
Where	Clarion Hotel The Edge
Wileie	SMIA meeting room
Key Messages	<ul> <li>Our draft Energy Strategy and Just Transition Plan underlines Scotland's interest in working with our neighbours around the North Sea.</li> <li>Through mutually reinforcing infrastructure, we can become a renewable battery for Europe, creating key economic opportunities and accelerating international decarbonisation.</li> <li>Interested in Norway's plans to expand investment in offshore wind. Happy to share the expertise we developed through our ScotWind leasing round.</li> <li>Scotland has developed experience over several years and has the potential to produce and export large amounts of low carbon hydrogen.</li> </ul>
Who	Andreas B. Eriksen – State Secretary for Energy and Petroleum
	He grew up in Stavanger and has a Master of Science in Business from the Norwegian School of Economics (NHH) and Università Bocconi (2012-2017). He previously worked as an advisor at The Norwegian Energy Regulatory Authority (2017-2020) and as a political advisor to The Standing Committee on Business and Industry for the Labour Party parliamentary group.
Why	To underline the Scottish Government's interest in working with Norway on new energy partnerships to unlock key economic opportunities, build energy resilience and accelerate the transition to net zero. This meeting will allow you to build on your recent engagement (virtual) with Rolf Einar Fife, the Norwegian Permanent Secretary to the EU, which had energy as one of its key themes. Mr Eriksen represents the Rogaland region (area around Stavanger), which has a strong oil & gas tradition.
Social media	@BjellandEriksen @oeddep
Briefing contents	Annex A – Discussion points Annex B – Background information
	<ul> <li>See also lines on:</li> <li>Draft Energy Strategy and Just Transition Plan – Note 19 Page 68</li> <li>Oil and gas – Note 20 Page 69</li> <li>Offshore wind and hydrogen – Note 21 Page 70</li> </ul>

DISCUSSION POINTS ANNEX A

#### **Draft Energy Strategy and Scottish-Norwegian collaboration**

- Our draft Energy Strategy, published last month, underlines Scotland's commitment to collaborating with our neighbours around the **North Sea**, in creating mutual energy security and shared strategic advantage.
- The North Sea has the potential to be 'the battery for Europe' we will look to work with others on how to realise this potential, and how best to create shared and mutually reinforcing systems and infrastructure. Scotland and Norway can play a leading role.

#### Offshore wind

- Interested in Norway's plans to expand investment in offshore wind technologies and reach 30GW offshore wind by 2040.
- We would be happy to share the expertise that we developed thanks to our recent **ScotWind** leasing round the world's largest commercial round for floating offshore wind.
- Our Business Minister Ivan McKee met your colleague Elisabeth Sæther (State Secretary in the same Ministry) in Oslo in June. They agreed on the importance of Scotland and Norway working together and I am happy to make that offer again.
- We are supportive of the North Seas Energy Cooperation agreement with the UK (NSEC-UK). It is a step forward in unlocking more practical offshore co-operation between Scotland/UK and NSEC members, including Norway.

#### **Hydrogen**

- Interested in the letter of intent that Norway signed with Germany last month.
- You may be aware that a proposal has been submitted for the AquaDuctus project to be declared Project of Common Interest (PCI). Scotland and Norway have been identified as possible "interconnection countries". We have shared interest in seeing the development of this North Sea infrastructure at pace.
- Our Hydrogen Action Plan, published in December 2022 is supported by a £100m capital funding programme, designed to accelerate and maximise the production of renewable hydrogen in Scotland.
- This investment is aimed at driving Scotland's ambition of at least **5GW of renewable and** low carbon hydrogen by 2030 and 25GW by 2045.
- We are currently assessing the most cost-effective options for transportation and export of hydrogen from Scotland to Europe.

#### **CCUS**

- Scotland's key CCUS resource is our vast potential for CO2 storage in the North Sea, estimated at 46Gt of CO2 storage in Scottish waters. Legacy oil and gas infrastructure offers us rare access to these storage sites.
- The Scottish Cluster's Acorn project is estimated to unlock over 50% of the UK's total storage capacity.
- Scotland's significant CO2 storage potential and the presence of the Scottish Cluster provides an economic opportunity for Scotland to be at the centre of a European hub for the importation and storage, via shipping, of CO2 from Europe.

#### Oil & gas – Just Transition

- We must focus on how to accelerate the development of new sources of energy, with associated new jobs so that we can move away from oil and gas more quickly.
- Our £500m **Just Transition Fund** is providing financial support to help energy workers reskill and find good jobs and to build confidence in the potential for a just transition.
- There is an opportunity for Scotland and Norway to share expertise on this.

#### **BACKGROUND INFORMATION**

ANNEX B

#### Norway - Energy profile

- Norway is now Europe's largest supplier of natural gas, accounting for more than 30% of UK and German supply. Norway is producing 8% more gas than it did before Russia's invasion of Ukraine and has postponed all non-essential maintenance to its gas infrastructure to help Europe get through the winter.
- As a result, Norway's oil and gas companies have achieved record breaking revenues, [redacted s.32(1)(a) International relations].
- Domestically, the focus has been on electricity. Norway's domestic energy market is almost 100% hydropower. [redacted s.32(1)(a) International relations].
- [redacted s.32(1)(a) International relations]
- [redacted s.32(1)(a) International relations]

#### **NorthConnect**

It is a proposed 1.4GW power cable (interconnector) connecting Norway and Scotland. The benefits of linking a strongly wind base system (Scotland) with a hydro based system (Norway) are significant.

The project is owned by four public power companies: Lyse; Hafslund E-Co; Agder Energi; and Swedish Vattenfall. The Norwegian and Swedish States would have ownership interests through Agder Energi (indirectly via Statkraft) and Vattenfall.

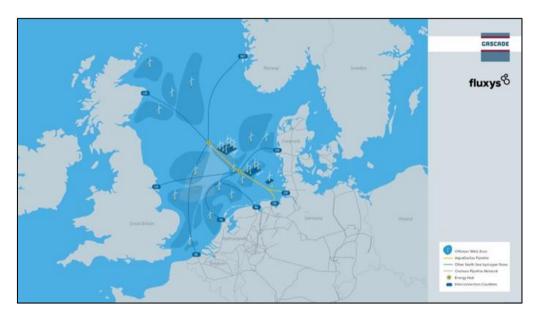
The **First Minister** met with the CEO of Agder Energi in February 2020 in Oslo. **Mr Lochhead** had a meeting with the CEO of NorthConnect in Oslo in May 2022, immediately after his participation in last year's Arctic Frontiers conference.

#### **Current status:**

- In December 2022, Ofgem withdrew the cap and floor support awarded in principle to NorthConnect. Following significant delays, the regulator said there is "no realistic prospect" of the project being completed in the coming years as set out when it undertook its initial assessment.
- This is a considerable setback but the decision does not affect any future applications and the developers remain able to submit a refresh proposal for assessment.
- Following the September 2021 election, the Norwegian government indicated that it was not minded to approve any new interconnectors, which have been a hot political topic in Norway for some time, [redacted s.32(1)(a) International relations].
- Approval of the North Connect project by the Norwegian Government has been delayed by the Ministry of Petroleum and Energy (MOPE).

#### Recent hydrogen developments

• 24 January: GASCADE (Germany) and Fluxys (Belgium) submitted an application with the European Commission for the AquaDuctus project, a North Sea offshore pipeline for green hydrogen produced using electricity from offshore wind farms, to be declared Project of Common Interest (PCI). The proposed 400km-long pipeline will collect hydrogen from multiple production sites while offering the potential to connect with other international hydrogen flows through the North Sea. Graphics associated with the pipeline demonstrate the extent to which it will reach into the North Sea, with possibly connection into Scotland and Norway both as "interconnection countries".



- 05 January: Norway and Germany signed a joint letter of intent on strengthening their partnership on energy, climate policy and industrial transformation. This includes specific common intent to ensure a large-scale supply of hydrogen with the necessary infrastructure from Norway to Germany by 2030. They have commissioned a joint feasibility study to assess large-scale transport of hydrogen from Norway to Germany, and CO2transport from Germany to Norway.
- The agreement will see the German producer RWE and Norwegian state-owned energy giant Equinor build hydrogen-fuelled power plants in Germany over the next few years as well as a major pipeline between the two countries to feed them.
- The agreement is part of Germany's ongoing efforts to phase out all coal-fired power stations by 2023 and decarbonize its energy sector. In 2022, Norway provided 33% of Germany's natural gas needs, compared to just under 20% in previous years.
- According to the current plan, the power plants will run on natural gas produced in Norway before transitioning to blue hydrogen (a capacity of 2GW by 2030), also produced in Norway. More than 95% of the carbon dioxide emitted during the production will be captured and stored under the seabed. The European Union has a target to build a 40 GW renewable hydrogen production capacity by 2030. The German-Norwegian partnership will therefore assist with these efforts and pave the way to subsequent conversions into green hydrogen supplies.

### **BRIEFING NOTE 13**

## Interview with Break TV (Arctic Frontiers in-house TV channel)

When	Thursday 2 February 2023, 14:45 – 15:15
Where	The Edge hotel
Key Messages	<ul> <li>The Scottish Government has established a very strong partnership with Arctic Frontiers. Scottish Ministers have addressed this conference every year since 2019.</li> <li>We are delighted to work with Arctic Frontiers to organise a one-day conference, focused on just energy transition and blue economy.</li> <li>Scotland is growing confident in her role as the world's most northernly non-Arctic nation.</li> <li>We have a wealth of expertise that is relevant to our Arctic partners due to our shared geography and the challenges that we have in common. But there remains a lot that we can learn as well.</li> <li>For instance, rurality and low population density create complex issues that require us to pool our expertise.</li> <li>Our ambition is that of being not just contributors to Arctic dialogue but also hosts and facilitators of opportunities for multilateral collaboration.</li> <li>The changes that are occurring in the Arctic have a direct impact on Scotland. We need to work collaboratively and across sectors.</li> </ul>
Who	You will be interviewed by [redacted], Communications and Marketing Adviser at Arctic Frontiers.
Why	This interview will be used by Arctic Frontiers on their Comms channels to promote the join event in Scotland. [redacted – s.30(b)(i) - Free and frank provision of advice]  Some clips could also be used for marketing purposes ahead of next year's conference.  In addition, you will be asked to reflect on your participation in the conference and to share your thoughts on the importance of events such as Arctic Frontiers as platforms for dialogue between elected representatives, scientists and businesses.
Social media	@ArcticFrontiers
Briefing contents	Annex A – Arctic Frontiers Abroad Scotland

#### ARCTIC FRONTIERS ABROAD SCOTLAND

ANNEX A

#### What will this conference be about?

The programme will feature a combination of keynote speeches and panel discussions, focused around <u>two key themes</u>: of just energy transition and blue economy. The conference will seek to catalyse debate and knowledge exchange between Scottish and international experts to foster opportunities for longer-term collaboration.

There will be 4 panel discussions:

- Marine planning, conservation and the co-existence of marine industries
- Decarbonisation of port infrastructure and the importance of ports as green hubs
- Harnessing energy potential in rural areas and the role of local communities
- Just energy transition for Scottish and Arctic communities

Previous Arctic Frontiers Abroad events have been held in major international capitals such as Stockholm, Tokyo, Brussels and Washington. We are very pleased that the next event will come to Scotland.

#### Why Scotland?

Scotland is the world's most northernly non-Arctic nation. Beyond geographical proximity, we share many features, outlooks and challenges with our neighbors. In recent years, we have increased engagement and knowledge-exchange with our Arctic partners. We have a wealth of relevant expertise to offer but there remains much that we can learn. The conference will be an opportunity to reflect on those shared challenges and lay the foundations for longer-term collaboration.

#### What is the Scottish Government doing to promote collaboration with the Arctic?

- We published an Arctic policy framework in 2019. It is a prospectus for knowledge exchange and contains a series of commitments that we are delivering on. For instance:
  - We established an Arctic Connections Fund to help Scottish organisation pursue tangible project-level collaboration with their Arctic partners.
  - We have facilitated discussions between Scottish university and the University of the Arctic. As a result, our contingent within the network has grown from 2 universities in 2019 to 9 in 2022 (and a tenth could join).
  - We establishes the Scottish Arctic Network (ScAN) to encourage collaboration among Scotland's Arctic research base.
  - We are regular participants in Arctic fora and encourage our experts to participate, often co-organising breakout sessions and workshops.

#### **Background**

A save-the-date announcement issued in December 2022 to promote a one-day conference co-organised by DEXA and the Arctic Frontiers Secretariat, in partnership with the University of Aberdeen.

Arctic Frontiers Abroad – Scotland was scheduled to take place on Friday 17 March 2023 at the King's College Conference Centre. [redacted – s.30(b)(i) - Free and frank provision of advice]

# BRIEFING NOTE 14 Meeting with Arctic Energy Partners and Energi i Nord

When	Thursday 2 February 2023, 15:30 – 16:30
Where	Restaurant, The Edge hotel
Key Messages	<ul> <li>Our vision is that of collaborating with our neighbours in the north sea to create a system of mutually reinforcing infrastructure that can serve as a renewable "battery for Europe".</li> <li>ScotWind is the world's largest commercial round for floating offshore wind</li> <li>In Scotland, nearly 100% of our net electricity demand already comes from renewable sources and we are focused on reducing energy demand and accelerating the deployment of renewable energy.</li> <li>Scotland has developed experience over several years and has the potential to produce and export large amounts of low carbon hydrogen.</li> <li>We are aimed to have at least 5GW of renewable and low carbon hydrogen by 2030 and 25GW by 2045.</li> <li>Our priority is therefore to support the fastest possible just transition for workers, communities and businesses in the oil and gas sector.</li> </ul>
Who	Kjell Giæver – Managing Director, Arctic Energy Partners and chair of Energi i Nord  He has served in the current role at AEP since 2014. From 2007-2022 he was General Manager of Petro Arctic, a supplier network for Equinor, Vår Energi and AkerBP's oil and gas fields in the north. He is based in Bodø, south of Tromsø.  Petter Bjørkli – Cluster Leader, Energi i Nord  He joined the company in May 2022 from NorSea, a supplier of base services and logistics solutions to the oil and gas and wind industries. He studied and
	is still based in Tromsø. He had been invited to speak at the Aberdeen event.
Why	To raise awareness of Scotland's renewable energy expertise and appetite for collaboration with international partners. Arctic Energy Partners and Energi i Nord are two key players in the Norwegian Arctic, representing the full spectrum of the industry – from oil & gas to cutting-edge green solutions. This is also an opportunity to find out more about how just transition is thought of in the region, and reflect on similarities and difference with the journey Scotland is on.
Social media	@ArcticEnergyPa
Briefing contents	Annex A – Background information

#### **BACKGROUND INFORMATION**

ANNEX A

#### **Arctic Energy Partners**

- It was established in Hammerfest (north of Tromsø) in 1997. Today, it brings together and represents around 250 companies from across northern Norway.
- It seeks to serve both as a network and a lobby group for energy companies operating in the region, both the oil and gas sector and renewable energy businesses.
- It engages with political leaders and public authorities on behalf of its members. Among its key objectives are:
  - Securing investments to renew and expand the power grid in Norther Norway (you met with Troms Kraft this morning and can reflect on that);
  - o Attracting new energy projects into the region and securing funding for existing ones;
  - Producing research in collaboration with UiT University (Tromsø) and Nord University (Bodø);
  - Ensuring that revenues and jobs remain local and the exploitation of local resources benefits local communities;
  - Encouraging a cluster approach by working with local authorities, ports, industrial parks and airports;
  - o Creating jobs for young people, contributing to reverse depopulation in rural areas.

Arctic Energy Partners supports continued extraction in the Norwegian Arctic and welcomed the discovery of two new gas fields last month as a key opportunity for the region.

#### Energi i Nord

- It is a cluster of companies and experts operating in the renewable energy sector in northern Norway.
- It seeks to accelerate decarbonisation and the transition to green energy production by facilitating collaboration, upscaling and investment.
- Arctic Energy Partners, Troms Kraft and Equinor are among the organisations involved in the cluster.
- Energi i Nord takes an holistic approach to the decarbonisation of the energy sector from production, to distribution, to final use.
- It is one of Norway's Innovation Clusters and receives support from Innovation Norway.

### **BRIEFING NOTE 15**

## Meeting with Patti Bruns – Secretary General, Arctic Mayors' Forum

When	Thursday 2 February 2023, 16:45 – 17:15
Where	Arctic Mayors' Forum offices Bankgata 9/11
Key Messages	<ul> <li>Scotland can be an expert and committed partner for your organisation.</li> <li>We are eager to build new links across the Arctic region to promote our expertise, learn from others and increase Scotland's profile internationally.</li> <li>Interested in what thematic priorities your organisation will pursue and how the Forum will operate in terms of international outreach.</li> <li>We would be pleased to facilitate a visit to Scotland for you and a delegation of Mayors' if of interest.</li> </ul>
Who	Patti Bruns – Secretary General, Arctic Mayors' Forum  Appointed in August 2022, she came to the AMF from the Canadian International Arctic Centre where she served as Senior Policy Advisor. She previously held the position of Executive Secretary of two Arctic Council Working Groups – ACAP (Arctic Contaminant Action Program) and EPPR (Emergency Prevention Preparedness and Response). She briefly worked at Arctic Frontiers in 2020-2021.
Why	[redacted - s.32(1)(a) International relations]. Patti is herself Canadian and worked with DEXA officials while employed by Arctic Frontiers. You can expect a warm meeting.
Social media	@ArcticMayors @PattiBruns
Briefing contents	Annex A – Background information and points for discussion

#### BACKGROUND INFO AND POINTS FOR DISCUSSION

ANNEX A

#### **About the Forum**

The Arctic Mayors' Forum (AMF) aims to give local governments a voice in the development of the Arctic and bridge the gap between local communities and policy-makers debating the future of the region. Inspired by inter-parliamentary and inter-governmental organisations seeking to advance Arctic collaboration, the AMF was established in 2019 to help local authorities in the Arctic region achieve greater cooperation and coordination.

Members represent local authorities from US, Russia, Canada, Iceland, Greenland, Finland and Norway. The Faroe Islands were members of the Forum until 2022. The AMF produces declarations, resolutions and policy position statements to influence national and international stakeholders when Arctic issues are on the agenda.

Mayor of Bodø (Norway), Ms Ida Maria Pinnerød (Norwegian Labour Party) is the current chairman of the Forum, whose cycle follows that of the Arctic Council presidency.

#### **Discussion points**

- I know you are familiar with our Arctic policy framework and that you worked with my officials in your previous role as member of the Arctic Frontiers secretariat.
- Our engagement with Arctic partners continues at pace and we have grown confident in our role as the world's most northernly non-Arctic nation.
- I would be interested in learning more about the Arctic Mayors' Forum.

**Ask:** How is the Forum structured and funded? What are your main thematic priorities? **Ask:** Are you planning to expand your membership?

 Our Arctic policy framework seeks to encourage mutual learning between Scotland and the Arctic region to promote sustainability, wellbeing and resilience.

**Offer**: I believe there would be value in exploring opportunities for Scottish experts to be involved in the work of your Forum. We would be very happy to facilitate introductions. **Offer**: We can also organise a study-visit for you and members of your organisation, for instance in relation to rural energy or rural entrepreneurship.

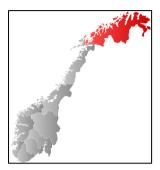
### **BRIEFING NOTE 16**

## **Dinner with Troms and Finnmark County Council and local businesses**

When	Thursday 2 February 2023, 18:00 – 20:30
Where	Mathallen Restaurant Grønnegata 60, Tromsø
Key Messages	<ul> <li>Grateful for the support of Troms and Finnmark County Council officials with the organisation of my visit.</li> <li>The Scottish Government is very supportive of the numerous and diverse links that your region has established with Scottish partners, from academia and industry, to culture and policy.</li> <li>Grateful for the financial support that your Council has provided – via Arctic Frontiers – towards the organisation of the conference in Aberdeen. I know you can't attend due to Council meetings but I hope you will be able to send a delegation of officials.</li> </ul>
Who	Ronald Wærnes – Deputy Chair, Troms & Finnmark County Council
	He is a member of the Centre Party (like State Secretary Narud). As well as Deputy Chair, he is responsible for the economy and culture portfolio. He has been in post since 2021.
	Kjell-Sverre Myrvoll – Political Adviser to Cllr Wærnes
	Final guest list TBC. Invited organisations include:
	<ul> <li>ASKO – Norway's largest grocery wholesaler</li> <li>JM Hansen – Electrical support for fisheries sector</li> <li>Green Hospital initiative – University Hospital of North Norway</li> </ul>
Why	A closing dinner to thank the County Council for their support with the organisation of your visit (especially at the Port of Tromsø) and meet local businesses and innovative organisations.
Briefing contents	Annex A – Background information

BACKGROUND INFO ANNEX A

#### **Troms and Finnmark County Council**



The Troms and Finnmark County Council was established in January 2020 as a result of the merger of two separate municipalities. It administers the largest and northernmost region in Norway, with a population of around 243,000 and an area of about 75,000 km² (23% of Norway's landmass).

The County Council is responsible for delivering services such as secondary education, local transport (including ferries), water management, cultural events and business development.

The County Council has strong links with Scotland, and especially Highlands and Islands Enterprise (HIE). Together with HIE and the Maine International Trade Centre (US), it is one of the founding members of the **High North Atlantic Business Alliance** (HiNABA), a network of development agencies that seeks to increase sustainable trade and investments cooperation between the participating regions. The establishment of the network was inspired by the expected increase in shipping traffic between ports located in the North Atlantic area.

Organisations based in the Troms and Finnmark region have also established close links with Scottish partners through joint participation in projects funded by the EU's Northern Periphery and Arctic (NPA) programme.

#### <u>Gront Skyehus Initiative – University Hospital of North Norway</u>

The Green Hospital initiative was launched in 2008 across Norway and seeks to promote a green shift in the health service, which is estimated to account for approximately 4.3% of Norway's emissions. The initiative encourages hospitals and other parts of the health service to work with local partners to decarbonise their operations, with a view to achieving a 40% emissions reduction by 2030.

The University Hospital of North Norway, based in Tromsø, is taking part in the initiative and has developed its own indicators and action plan, aligned with UN sustainable development goals. All departments within the hospital have their own environmental coordinator.

#### NHS Scotland climate emergency and sustainability strategy

Published in August 2022, it sets out plans for NHS Scotland to reduce its greenhouse gas emissions and impact on the environment. Our goal is to reduce greenhouse gas emissions from our buildings by at least 75% by 2030 compared to a 1990 baseline, use renewable heating systems by 2038 for all NHS-owned buildings, and for all our estate to have net-zero emissions by 2040 or earlier where possible. It also pledges to reduce patients' need to travel and reduce the environmental impacts of the NHS supply chains.

#### Balfour Hospital, Orkney

Opened in 2019, it is the UK's first hospital built to a net-zero standard, which means the running of the building does not contribute carbon emissions. It is a fully electric building with air-to-water heat pumps generating all the hot water and heating.

The maternity unit has been scaled up so fewer expectant mothers need to be flown to Aberdeen to give birth. NHS Orkney now runs a fleet of electric vehicles. Telemedicine, remote consultations and virtual clinics reduce the need for patients to travel.

#### NORWAY COUNTRY PROFILE

**NOTE 17** 

Full name: Kingdom of Norway

**Population:** 5.39 million **Capital city:** Oslo **National Day:** 17 May (Constitution Day 1814).

Head of State: King Harald V

Head of Government: Mr Jonas Gahr Støre (Labour, since October 2021)

Minister for Foreign Affairs: Ms Anniken Huitfeldt (Labour)

Government composition: Minority coalition consisting of Labour and Centre Party

**Parliament:** The *Storting* consists of 169 elected members. Parliamentary elections take place every four years. There are no by-elections or any constitutional provision to dissolve the *Storting* between elections.

#### **Politics:**

Prime Minister Jonas Gahr Støre (Labour) unveiled his Cabinet in October 2021 after negotiating a minority agreement with Centre Party leader Trygve Slagsvold Vedum, who has since been appointed Finance Minister. Oil & gas exploration was hotly debated during the election campaign and diverging views on the speed at which Norway should phase out explorations led the SV (socialist-left) party to abandon coalition talks with Labour. SV advocated more radical measures, while Labour and Centre Party remain broadly in favour of continued explorations.

#### **Hot topics**

- The Norwegian government confirmed that it will send Leopard 2A4 battle tanks to Ukraine.
- In January 2023, Norway and Germany signed a joint declaration on strengthening energy and hydrogen collaboration.

#### Recent ministerial engagement with Norway

- Jan 2023 Mr Robertson's meeting with Norwegian Perm Rep to the EU.
- June 2022 Mr McKee's bilateral meeting with Terje Aasland, Norwegian Minister for Petroleum and Energy in Oslo.
- May 2022 Mr McKee shared a platform with Elisabeth Soether, Norwegian Secretary of State at the Ministry of Petroleum and Energy during the Floating Offshore Wind Conference in Norway.
- May 2022 Mr Lochhead's address at the Arctic Frontiers Conference in Tromsø, Norway and a number of engagements in the margins of the conference.

#### **Trade links**

- Scotland's 7th largest export destination. £1.1bn (excluding oil & gas) in 2019, up 1.4% from 2018.
- The largest sector for exports in 2018 was energy which was valued at £290m and accounted for 25% of all exports
- There are 11 Global Scots in Norway, most of whom are working in the energy sector.
- 105 Norwegian-owned companies have operations in Scotland, employ 6,000 people with a Scottish turnover of £2,382million. This includes:
  - 3 of Scotland's top 6 salmon farming firms MOWI (formerly Marine Harvest);
     Scottish Sea Farms and Greigs Seafoods
  - Major global energy companies such as Equinor which has a majority stake in Hywind Scotland – the world's first floating wind farm.
  - New Norwegian aquaculture investor to Stirling, "Fiizk"
  - ScotWind success for Magnora

#### ARCTIC POLICY FRAMEWORK - CORE BRIEF

**NOTE 18** 

#### **Key lines**

- Scotland is one of the Arctic's closest neighbours, we share many outlooks and features.
- Arctic Connections, Scotland's first Arctic Policy Framework illustrates existing links, reflects on shared challenges (particularly those stemming from rurality and remoteness), and explores avenues for even closer cooperation. It was published in September 2019.
- The policy framework is not a geopolitical statement but a prospectus for cooperation and policy exchange on issues that are relevant to both Scotland and the Arctic.
- We want to work with like-minded partners to develop joint solutions to shared challenges and improve the resilience and wellbeing of our communities.
- From empowering rural areas to accelerating decarbonisation, from promoting Indigenous languages to developing sustainable tourism solutions, there is a lot Scotland and Arctic countries can work together on.
- Climate change is endangering the future of the Arctic and of our entire planet. In the policy framework, we reiterate our calls for global action on this global challenge. Scotland will be a committed partner in these international efforts.
- In light of the deep and complex challenges that the Covid-19 pandemic has brought to the fore, multilateral dialogue and knowledge-exchange is all the more important if we want to promote a fair and green recovery.

#### Policy framework - Content

The APF is cross-cutting, drawing together key issues and policies across SG. We have identified 6 main areas, each one corresponding to a chapter in the document:

- 1. Scotland's global outlook and relationship with the Arctic region
- 2. Education, research and innovation
- 3. Cultural ties
- 4. Rural connections
- 5. Climate change, environment and clean energy
- 6. Sustainable economic development

#### **Key figures**

- Scotland has 96 inhabited islands.
- 98% of our landmass is classified as rural but it contains only 17% of our population.
- The population density of the Highlands and Islands region of Scotland is among the lowest in Europe.
- The Shetland archipelago is closer to the Arctic circle than it is to London. It is located at the latitude as Cape Farewell (Greenland) and Juneau (Alaska, US).
- Since 2000, institutions in Scotland have contributed to more than 1,000 academic publications about the Arctic region.
- 40% of the projects funded through the EU's Northern Periphery and Arctic programme 2016-2020 included a Scottish partner.

#### **Key recent Arctic initiatives**

- Delivering on one of the commitments made in the policy framework, in April 2021 we established an Arctic Connections Fund to help Scottish organisation and communities work with Arctic partners. Organisations based in Scotland are invited to apply for up to £10k. The 2021-2022 round funded 12 projects worth £105k and 2022-2023 round is funding 10 projects worth £90k.
- The Scottish Government co-sponsored the **Cryosphere Pavilion at COP26**, together with the Swiss Government and the Nordic Council of Ministers. The Pavilion promoted discussions between researchers, policy makers and leaders about the effect of climate change on the frozen regions of our planet. The Arctic was one of the key geographies.
- At COP26, Scotland became the first sub-national government to join the 50x30 coalition

   an alliance between emissions research institutions and governments that recognise the vital importance of cutting emissions by 50 per cent by 2030 to limit ice loss and sea level rise. Other members include German, Danish, Finnish, Swedish and UK Governments.
- The First Minister addressed the **Arctic Circle Assembly in October 2021**, to underline the importance of Scottish-Arctic cooperation on shared challenges, especially around climate action and just transition. **Mr Robertson address the same conference in October 2022**, and hosted a networking event for Scottish delegates.
- Officials have worked with the academic sector to increase the Scottish contingent within
  the University of the Arctic, an international and multidisciplinary network promoting
  research in and about the High North. Scotland now has nine members in UArctic, which
  is more members than Sweden and the second-largest group among non-Arctic nations,
  behind China. The University of Dundee is likely to join later this year, meaning that over
  half of all Scottish universities will be members.
- We have provided financial support towards the establishment the Scottish Arctic Network (ScAN), Scotland's first Arctic academic network, to encourage cooperation and joint work between Scotland-based researchers whose expertise revolves around Arctic matters. The Scottish Association for Marine Science (SAMS) has agreed to serve as secretariat.
- On behalf of ScAN and with our support, the University of Edinburgh will host Arctic Science Summit Week in March 2024, due to attract around 1,000 Arctic researchers from around the world.
- In November 2020, we provided a contribution to the consultation on the EU's new Arctic policy, to set out relevant Scottish expertise and our desire to remain as closely involved in EU policy making as possible.
- Mr Gray spoke at the Arctic Futures Symposium in Brussels in November 2022.
- The Scottish Government will host an Arctic Frontiers Abroad, spin-off event from the Tromsø-based Arctic Frontiers conference in Aberdeen on 17 March 2023, themed around Just Transition and Blue Economy.

- The draft ESJTP sets out our vision that, by 2045, Scotland will have a flourishing, climate friendly energy system that delivers affordable, resilient and clean energy supplies for Scotland's households, communities and businesses.
- We are scaling up renewable energy and taking action to transform and expand Scotland's energy generation sector. By 2030, there will be an additional 20 GW of low-cost renewable capacity.
- Scotland's rich renewables endowment means we can not only generate enough cheap green electricity to power Scotland's economy, but also export electricity to our neighbours, supporting jobs here in Scotland and the decarbonisation ambitions of our partners.
- We wish to see as much renewable hydrogen in our energy system as quickly as possible.
   We are taking forward the actions set out in our Hydrogen Action Plan, including a renewable and low-carbon hydrogen production ambition of 5 GW by 2030 and 25 GW by 2045 and have set out plans to rapidly grow Scotland's hydrogen economy.
- We are consulting on how we can push our renewable ambitions further for offshore wind, solar and marine.
- We are also encouraging developers to offer community benefit and shared ownership opportunities as standard on all renewable energy projects.
- The draft ESJTP sets out clearly that the North Sea basin is mature and production will inevitably decline. Our priority is therefore to support the fastest possible just transition for workers, communities and businesses in the oil and gas sector.
- The oil and gas sector can and will continue to play a positive role in Scotland's energy transition. We have a rich energy heritage and the oil and gas sector will play a pivotal role in designing the diverse energy system that we need for the future.
- Scotland's green jobs revolution is already underway and we must ensure that workers have access to the reskilling and upskilling opportunities they need to enable them to take on the green jobs of the future.
- Investment in our infrastructure needs to be both sufficient and timely, to ensure we
  maximise the benefits of increasing renewable electricity and hydrogen supplies. This
  Strategy will give certainty to investors that Scotland is a place that wholeheartedly supports
  renewable energy.
- Strong supply chains are crucial to ensure we capitalise on the economic opportunity from
  the transition to net zero. The National Strategy for Economic Transformation set a number
  of priorities for action and we will expand our Supply Chain Development Programme as
  part of the draft ESJTP.
- We need to ensure that the transition delivers the maximum benefit for Scotland, enabling
  us to achieve our wider climate and environmental ambitions, drive the development of a
  wellbeing economy and deliver a Just Transition for our workers, businesses, communities
  and regions.
- We must make these changes to our energy system in a way that is just and do so through a process that is inclusive.

OIL AND GAS NOTE 20

#### **Key lines**

• Climate Change has not gone away. The science is clear that the world cannot go on extracting fossil fuels indefinitely if the necessity of limiting global warming to 1.5 degrees is to be achieved. We cannot in good conscience ignore that.

- In relation to oil and gas fields, already partially sanctioned, and to the licensing requirements of new fields, if we say the answer to our current reliance on oil and gas for jobs and energy is to keep opening new oilfields, we don't have sufficient imperative to develop alternatives quickly enough. Instead we become fixed in a cycle of dependency.
- We must focus on how to accelerate the development of new sources of energy, with associated new jobs so that we can move away from oil and gas more quickly.
- Maintaining the current status quo is not an option.
- We are already investing in the sector's net zero transformation. In addition to our expanded, £75m Energy Transition Fund and £100m Green Jobs Fund, our £500m Just Transition Fund will support the north east and Moray to become one of Scotland's centres of excellence for the transition to a net zero economy.

# The draft ESJTP sets out clearly that the North Sea basin is mature and production will inevitably decline.

- We have been clear of our intention to move away from a policy of unlimited extraction, even if the North Sea was not a declining resource. We need a new plan for Scotland's energy system, the ESJTP seeks to do this.
- Our priority is therefore to support the fastest possible just transition for workers, communities and businesses in the oil and gas sector.
- In establishing a renewed policy position on oil and gas, and whilst licensing is reserved to the UK Government, we are consulting on whether, in order to support the fastest possible and most effective just transition, there should be a presumption against new exploration for oil and gas.
- The Climate Compatibility Checkpoint introduced by UK Government last year was disappointing.
- We are consulting on what factors should be considered in assessing the impact of new oil
  and gas production and if this test should be applied to fields that are already consented
  but not yet in production as well as new exploration (if exploration continues) in the context
  of the global goals of the Paris Agreement.

#### We must ensure a fair and just transition for our skilled offshore workers

- We are working with the energy sector to plan for a multi-skilled workforce, one that can benefit from opportunities across the energy system. This includes transitioning skilled offshore workers into jobs in CCUS and decommissioning or diversifying oil and gas business models into renewable energy portfolios, including offshore wind, CCUS and hydrogen sectors.
- Our oil and gas workers, and their vital skills, will be essential to the transition. Workers, and trade unions, will be at heart of everything we do. Our £500m Just Transition Fund is providing financial support to help energy workers reskill and find good jobs and to build confidence in the potential for a just transition.
- Funding from the Just Transition Fund has already been allocated to support development
  of a skills passport; to create an advanced manufacturing skills hub in Aberdeen and a pilot
  scheme with the National Energy Skills Accelerator to determine the skills required for an
  energy transition.

#### NOTE 21

#### **Offshore Wind**

- ScotWind will deliver a new era in Scotland's offshore wind industry, representing the
  world's largest commercial round for floating offshore wind and breaks new ground in
  putting large-scale floating wind technology on the map at Gigawatt scale. It will provide
  several billion pounds more in rental revenues once projects become operational, to be
  invested for the benefit of the people of Scotland.
- We welcome the commitment of developers in the Scottish Economy, indicating an average projection of £1.4bn in Scotland across each of the 20 ScotWind offshore wind projects and per gigawatt built.
- The importance of accelerating the transition to renewable energy sources, including hydrogen, has been brought into sharp relief by Russia's illegal invasion of Ukraine and the cost-of-living crisis.
- In Scotland, nearly 100% of our net electricity demand already comes from renewable sources and we are focused on reducing energy demand and accelerating the deployment of renewable energy.
- We recognise the challenges that ScotWind's poses to the key public sector delivery bodies.
   We will increase resources to ensure those parts of Government responsible for delivery can effectively meet those challenges.

#### Hydrogen

- Scotland has developed experience over several years and has the potential to produce and export large amounts of low carbon hydrogen.
- As a trusted and reliable trading partner, and with a potential pipeline of 16.7GW of renewable generation in operation, under construction or awaiting construction, Scotland can play a central role in securing Europe's future energy supply and climate neutrality.
- Our **Hydrogen Action Plan**, published on 14 December 2022, sets out the strategic approach and actions required to support the development of the hydrogen economy in Scotland over the course of this Parliament.
- The Action Plan is supported by a £100m capital funding programme, designed to accelerate and maximise the production of renewable hydrogen in Scotland.
- This investment is aimed at driving Scotland's hydrogen production capability to meet an ambition of at least 5GW of renewable and low carbon hydrogen by 2030 and 25GW by 2045. This will give Scotland the potential to deliver up to 126TWh of green hydrogen per year by 2045, with up to 94TWh of hydrogen for export to Europe and the rest of the UK.
- A new chapter dedicated to 'Scotland's Hydrogen Export Ambitions' seeks to highlight the scale of the export opportunity, Scotland's competitive advantage and the initial actions we will take at home and abroad to support Scottish companies to participate in and benefit from the development of the international hydrogen market.
- Scotland is well placed in terms of proximity and infrastructure connectivity to key hydrogen import locations in northern Europe. This additionally gives us the potential to position ourselves as a hub linking the North Sea region and the north of Europe.
- Over the coming years, we will focus on taking action to secure the role of Scottish companies in the global hydrogen supply chain, to work with our international partners to share expertise and develop the sector more quickly, and to ensure Scotland is prepared to play a key role in meeting the growing demand for hydrogen.
- Hydrogen in the transport sector could provide an option to parts of the transport sector such as heavy-duty vehicles and parts of the rail network, when full electrification is challenging. e.g UKs first fleet of hydrogen double decker buses is in Aberdeen City, supported by a combination of Scottish and European funding.

#### <u>Infrastructure to Support Hydrogen Export</u>

- We are currently assessing the most cost-effective options for transportation and export of hydrogen from Scotland to Europe. Scotland is only 750km from the German coast and so it is likely that a number of different options – such as gaseous hydrogen pipelines, marine vessel transportation of liquid hydrogen, green ammonia and methanol, and LOHC could all be used at different scales depending on end-purposes and off-takers.
- Pipelines have been illustrated to be the cheapest option for transporting large volumes of hydrogen across long distances and we are keen to ensure centres of production in Scotland are connected to European networks.
- We are already tangibly doing things to move this forward including funding the Net Zero Technology Centre to assess the optimal way to connect Scotland to a European Hydrogen Backbone and centres of demand in Europe.
- With Scotland well placed in terms of proximity and infrastructure connectivity to key hydrogen import locations in Northern Europe, we are also continuing to support tangible industry-led projects that look to explore and demonstrate the delivery of hydrogen and hydrogen products from Scottish ports into Northern Europe.
- Ports will be key to the development of our hydrogen export ambitions and so we keen to support further collaboration with key ports in northern mainland Europe such as the Ports of Hamburg and Wilhelmshaven, in order to develop the relationships and the infrastructure required, ensuring that Scotland's export and the northern European coastline's import infrastructures are compatible.
- Scotland's key CCUS resource is our vast potential for CO2 storage in the North Sea, estimated at 46Gt of CO2 storage in Scottish waters. Legacy oil and gas infrastructure offers us rare access to these storage sites.
- The Scottish Cluster's Acorn project is estimated to unlock over 50% of the UK's total storage capacity.
- Scotland's significant CO2 storage potential and the presence of the Scottish Cluster provides an economic opportunity for Scotland to be at the centre of a European hub for the importation and storage, via shipping, of CO2 from Europe.

#### Hydrogen Backbone Link Work

- Several options for pipeline routing offshore have been identified connecting main energy hubs in North East Scotland, Orkney and Shetland to the onshore European backbone via Emden in Germany.
- Partial re-use cases were assessed and are feasible. New build pipelines also identified and provide an opportunity for accelerated deployment.
- Economic analysis underway currently with full results of phase 1 due to publish in Q1 2023.
- The HBL project is working closely with National Grid and aligning with their 'Project Union'
   – an onshore UK hydrogen backbone. This will allow for UK market distribution of Hydrogen
   via St Fergus and Aberdeen. An offshore backbone will be required for export to Europe.
- More work is needed on storage, Scotland has limited salt cavern storage so an alternate storage solution is being investigated under this project, a key focus of phase 2 which will begin in 2023.
- NZTC is also building relationships with other EU partners to align on a North Sea infrastructure masterplan, building energy security and resilience into the future energy system.