

Scottish Affairs Committee

Oral evidence: Promoting Scotland Internationally, HC 625

Monday 12 June 2023

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Members present: Pete Wishart (Chair); Deidre Brock; Wendy Chamberlain; David Duguid; Sally-Ann Hart; Mark Menzies; Douglas Ross; Andrew Western; Dr Philippa Whitford.

Questions 262 to 339

Witnesses

I: Rt Hon Alister Jack MP, Secretary of State for Scotland, Scotland Office; The Lord Offord of Garvel, Parliamentary Under-Secretary of State, Scotland Office, Parliamentary Under-Secretary of State (Minister for Exports), Department for Business and Trade; David Rutley MP, Parliamentary Under-Secretary of State (Americas and Caribbean), Foreign, Commonwealth and Development Office.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]

Examination of witnesses

Witnesses: Mr Alister Jack MP, Lord Offord of Garvel, David Rutley MP.

Q262 **Chair:** Welcome to the Scottish Affairs Committee's last session in our inquiry into promoting Scotland internationally. We are delighted to be joined by an array of Ministers from the Department for Business and Trade, the Scotland Office and the Foreign Office. I will let the Secretary of State for Scotland introduce himself and his colleagues, and say anything by way of a short introductory statement.

Mr Jack: Thank you, Mr Chairman and members of the Committee. I welcome Mark Menzies to his place on the Committee today, and I thank him very much for joining the Scottish Affairs Committee.

I am pleased to be making my eighth appearance before the Committee in my role as Secretary of State for Scotland—and, if I might say so, Mr Chairman, so soon after my last appearance. Also here to help you with your inquiries are my ministerial colleagues David Rutley, the Parliamentary Under-Secretary of State for the Americas and the Caribbean at the Foreign, Commonwealth and Development Office—he is also responsible for devolution policy at the FCDO—and Lord Offord of Garvel, who is well known to the Committee. Along with his responsibilities in the Scotland Office, he is now also Minister for Exports at the Department for Business and Trade. He will be a strong voice for Scotland there. He is going to be taking a strong role in UK exports and ensuring that we help businesses to sell across the world.

I want to start with a few comments, if I may. As we stated when we wrote to you with our evidence on this inquiry, we welcome this opportunity to set out how the UK Government fulfils its role of promoting Scotland internationally. The UK Government takes seriously its duties and responsibilities in this respect. My colleagues and I are committed to ensuring that Scotland's interests remain at the heart of our international agenda. When I was here last month, I spoke briefly about how the UK and Scottish Governments are collaborating and working effectively together to promote Scotland's businesses overseas and to attract inward investment.

Despite the sometimes public disagreements or commentary surrounding it, the UK and Scottish Governments' working relationship overseas is a positive and productive one. On trade and investment, including promoting Scottish agriculture, universities, food and drink, and many other areas where Scotland has so much to offer, we can and do work well together. As you acknowledged when I was last here, the recent delegation to the New York Tartan Week was an excellent example not just of UK Government Departments coming together to promote Scotland, but of collaboration with the Scottish Government and industry towards a shared goal. I am pleased that members of your Committee were also able to attend Tartan Week, and that they were able to witness at first hand the

collaboration between the UK and Scottish Governments and see how we want to promote Scotland in one of our most important markets.

UK Government Ministers engage regularly with international partners to develop on the UK's ambitions and make the most of opportunities for Scotland and the whole United Kingdom. For example, Minister Rutley recently visited the states of Ohio, Kentucky and Indiana. He attended the US Conference of Mayors, where he had conversations with delegates, not only on boosting UK-US trade and jobs, but on promoting Scottish sectors, such as Scotch whisky, salmon and offshore wind.

The relationship with the US is critical to the UK economy, including Scotland, and, with more than \$1 trillion invested in each other's economies, such visits build on the US-UK trade relationship and help to create jobs on both sides of the Atlantic. Minister Rutley came to Scotland immediately on his return from the US, and in Edinburgh he engaged with the whisky and salmon industries and the heads of foreign consular missions. He also met Angus Robertson to discuss joint working overseas.

Scotland Office Ministers also regularly engage with our foreign partners in support of Scotland's interests. This includes the diplomatic corps in the UK visiting Ministers and delegations from across the globe, and visits overseas to support Scottish trade, investment and culture. A good example of this is Lord Offord's visit to Mumbai, coinciding with the arrival of the UK's carrier strike group. By linking in with our fantastic trade team in India, the GREAT campaign and the Royal Navy, he was able to help showcase innovative Scottish companies and the UK's defence industry. Working with performers from the Royal Edinburgh Military Tattoo and representatives from the Scotch Whisky Association, we brought a real taste of Scotland to this incredibly important market.

Our overseas network has a truly global reach, with 280 diplomatic missions, and it is of vital importance in promoting Scotland as a destination for tourism and investment and facilitating Scotland's wider international standing. Our embassies, high commissions and consulates, and the excellent DBT trade teams that work with them, promote Scotland day in, day out. Scottish Development International, which has a presence in 23 countries, works closely with these teams, and DBT provides local expertise in countries and markets where SDI is not present. The recent announcement of a £200 million Japanese investment in offshore wind is a great example of our joint working on inward investment.

I want to emphasise that the UK Government wants to work with the Scottish Government to maximise opportunities for Scotland, because that is exactly what people in Scotland want and expect from their two Governments. It is only when the Scottish Government strays into reserved areas that issues arise. It is clear that international relations are reserved to the UK Government, and it is important that we speak with one voice on foreign policy. This benefits the whole of the UK and, importantly, provides confidence for companies looking at long-term investments in Scotland.



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The evidence of our Departments—that provided in writing to you, and what you will hear today—will show that Scotland benefits hugely from the scale and reach of our international engagement and influence. Our work internationally promotes and protects the economic interests of Scotland, including by securing foreign investment and helping Scottish businesses expand their export markets.

In conclusion, Mr Chairman, our Departments are working increasingly closely, we are taking a more co-ordinated approach, we are promoting Scotland internationally, and we intend to continue to do so.

Q263 Chair: Thank you very much for your opening remarks. I think you are absolutely right; the Committee has found through the course of this inquiry the level of collaboration and effective working together of both Governments. Would you agree that Scotland is in a fantastic situation and position? We have all the activity you have described from the UK Government networks, but we have the added value brought by Scottish Government activity, through Scottish Development International and through the GlobalScot network. Is that something that you recognise—that we are in a very fortunate position and we have that added value? Do you think there is more that the Scottish Government could be doing to ensure that Scotland is promoted internationally?

Mr Jack: I think we have a very strong but also unique international brand, and I think that is recognised across the whole world. There is a huge diaspora, obviously, but there is also a huge love of things Scottish. Some of it will be romanticism—I have no doubt about it—but the reality is that we have a beautiful natural environment and we have fantastic products, not least our Scotch whisky, which, as you know, is a major export for us. Our food and drink products are exported very successfully around the world. But we also have other things. We have extremely good universities. We have burgeoning high-tech industries. We are a leader on renewable energy, which is obviously important. As we did with oil and gas, when we sold that expertise around the world, we can lead on selling our renewable energy expertise around the world.

I would say that the UK promotes this brand, if you like, internationally every day—day in, day out, as I said—because we have this vast network of missions overseas: the 280 embassies, consulates and high commissions. A huge advantage to Scotland and her trade base is being part of the United Kingdom.

Q264 Chair: You mention Scotland being unique and distinctive. I suppose what the Scottish Government can bring is the voice for that distinctiveness and uniqueness. You didn't quite answer my question, although I do not think you were trying to evade it. Do you think there is more that the Scottish Government, through its network and agencies, could do to add to the added value that—

Mr Jack: There is always more that can be done—there is no doubt about that—and all the time we seek to do more. One of the things we have done—I will come back to the Scottish Government question in a minute,



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because I know the point you are making—is put more teams for export, through the DBT, into Scotland to help more businesses to export. We have got more presence in Queen Elizabeth House to help Scottish trade. We are always looking at working more with the Scottish Government to promote trade and culture around the world.

Q265 **Chair:** More would be better, then.

Mr Jack: Well, more in the devolved area, which of course is where we might disagree. I touched on this when we last met, but yes, more in the areas that are devolved—

Q266 **Chair:** I don't want to get back into the exchange that we had in the last session, which, as you rightly said, was only a couple of weeks ago. We are grateful to have you back here once again, and with Lord Offord. But we did have this distinct issue where there seemed to be a falling-out, and it seemed to be contrary to everything that we have heard about collaboration and working together. What are you doing personally to try to de-escalate that type of relationship? What are you doing to try to improve the situation with Scottish Government colleagues?

Mr Jack: As I say, we saw the successful Tartan Week, where the Scottish Government, the UK Government and members of this Committee went out and were promoting Scotland in what is already a big market for us but is potentially an even bigger market. That is something we are working with. As I say, we are very keen to work with the Scottish Government on promoting trade, tourism and these areas—I talked about the universities—and there are examples of that. But I referred to five or six examples, and there are probably many more, of where the Scottish Government were straying into reserved areas around the constitution and foreign affairs. I know you are alluding to this, but that is where it is important—the Foreign Secretary and I agree on this—that we have to draw a line, because we are one United Kingdom and we have to give people confidence to invest in Scotland, and confidence to invest in Scotland comes from knowing the country they are investing in and feeling confident of its future, if I can put it that way. Business likes certainty, and going abroad and talking about breaking up the United Kingdom does not create certainty.

Q267 **Chair:** I am glad we have somebody from the Foreign Office. It is great to see you, Minister Rutley; thank you for coming along to help us with this inquiry. The same goes for Lord Offord—we have the DBT and the Foreign Office. There is one issue that you may be able to help us out with. You will know that this Committee has just concluded a wide-ranging report on hydrogen, and what we saw—

Mr Jack: Are you addressing this to me, Chairman? Lord Offord was just saying to me that he wanted to come in.

Lord Offord of Garvel: I just wanted to come in on the last point there, about the language. There does not need to be divergent language between the Scottish Government and the UK Government, because we should be on exactly the same page. The Chancellor stood up in the



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autumn and said what were the five growth industries that were going to power this country in the 21st century. They are basically digital, renewable green energy, life sciences, advanced manufacturing and the creative industries.

Chair: That is exactly the point. I am just conscious of time, Lord Offord—

Lord Offord of Garvel: The point is that in all five of those, Scotland has a leading position. So whether it is the Scottish Government or the UK Government talking about those five iconic new industries coming along, we should be speaking the same language. Scotland has an incredibly strong position, and that will power Scotland forward within the United Kingdom.

Q268 **Chair:** I am glad you mentioned that. Just one of the issues is hydrogen, and you will know that we have just completed a report on this, which showed the huge potential we have for exporting internationally our hydrogen. What progress have all your Departments made to ensure that we get the interconnectivity to ensure that we have that hydrogen exported to the markets that seem to want that product from Scotland?

Mr Jack: This is not my specialist area. Are you talking about green hydrogen or blue hydrogen? There is a difference.

Q269 **Chair:** This was the main item that was brought up in a conversation with the Foreign Office and the Cabinet Secretary about interconnectivity when it comes to hydrogen, so I hope you know the difference.

Mr Jack: Yes, I do. You are talking about the potential market in Germany, which—

Q270 **Chair:** We are talking about interconnectivity, and the subsea infrastructure that is required in order to ensure that what the Committee found in terms of our export potential is met, and that this is going to be realised. I am wondering where we are following those conversations. I know that it was something that was put to you by the Scottish Government, and they are keen to make progress on it. What progress has been made since the meeting six months ago with the Cabinet Secretary?

Mr Jack: If it is Germany—if that is the point you are referring to—UK Government officials are discussing a formal partnership. Are you talking about international infrastructure?

Q271 **Chair:** Indeed, particularly with Germany. This is something that I believe the Scottish Government have asked to be shown progress on again and again.

Mr Jack: Yes, and that is where we are at. Discussions are ongoing. We cannot talk in detail about those discussions because there is a formal partnership trying to be developed, and it is wrong to cut across negotiations when they are happening. But is activity happening? Yes, it is.



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Q272 **Chair:** What discussions have you had with the Scottish Government? I know Minister Rutley was up speaking to the Cabinet Secretary. What progress has been made? It was six months ago that they raised this and said, "This is something we want as a priority."

David Rutley: In fairness, Chair, I only spoke to him last week. It was a very good conversation and very collaborative for most of the conversation, for sure. I respect Angus Robertson; he was a serious politician down here, and he continues to be one now. It was a very positive conversation.

As the Secretary of State said, UK Government officials are developing a formal partnership with the German federal Government. That is being worked up. What I said I would do, when I met Angus, was that I would take a closer interest in that. It is not specifically a FCDO matter, but it is of such strategic importance that all of us need to take a close interest in it. As I said, action is being taken.

Chair: I know we are going to come back to this at some point, and I am very conscious of the time.

Q273 **David Duguid:** I was going to come back on the hydrogen thing anyway, Chair, but perhaps it is a good time to come in with that now. As you have said, Chair, we received evidence from Michael Matheson, who was the Cabinet Secretary for Energy in the Scottish Government at the time. He talked at some length about the discussions that the Scottish Government had been having with the federal Government in Germany as well as the individual states. The question I want to ask of the Foreign Office Minister and the Business and Trade Minister specifically is this: what discussions were had with the UK Government as part of those discussions? Or did the discussions with the UK Government come later?

David Rutley: Look, hydrogen is a huge priority and a big economic opportunity for the UK—for Scotland, Wales and Northern Ireland. We expect the UK to have a really exciting role in exporting hydrogen to others; there is no question about that, and that was what the Chair was alluding to. We are working closely with devolved Governments on the UK hydrogen strategy, and we are taking an open and active approach to international collaboration. It is a relatively complex area, in the sense that policy around hydrogen is a mix of devolved and reserved competencies. That is why we need to keep working closely together, and it is why I come back to the fact that the good news is that, on that big question about the discussion with Germany, there are ongoing discussions about a formal partnership.

Q274 **David Duguid:** Given that trade, and cross-border trade in particular, is reserved, I wonder whether the Trade Minister could say something.

Lord Offord of Garvel: The forum for discussing that is a forum that I sit on, which is the North Sea Transition Forum. That meets regularly—once a quarter—and it has Scottish Government Ministers and officials, as well as UK Government Ministers and officials. It also has representatives of the industry. This is a hot topic in that forum.



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Chair: We have given that a good outing—thanks for that.

Q275 Wendy Chamberlain: Thanks for being here today. What we have heard in evidence to the Committee, and from the UK Government in written evidence, is that a lot of good work is going on. Looking at the written evidence, that is the least that we would expect of the UK Government and their role in Scotland, but we have also heard in evidence that the tendency is to default to the very traditional views of Scotland, and that sometimes requests come in at the last minute. Where this is good, it is very good, but it tends to be very good because there are Scottish people in embassies who have knowledge of what the traditional dates are, for example. I want to understand whether there is a specific UK Government strategy and objective for promoting Scotland internationally.

Mr Jack: The answer is yes. We use our extensive network of the 280 missions I mentioned to promote the UK. We want to promote Scotland as part of that on the international stage. We know that is a huge asset for Scotland and that we have people who have Scotland in their brief, as it were, for the opportunities that might arise. For example, foreign direct investment in 2021-22 led to over 4,000 jobs coming into Scotland.

Q276 Wendy Chamberlain: Is that part of a strategy to deliver it? Are there KPIs associated with it? It feels like we are taking opportunities, but not going beyond that to think about what the next step is.

Mr Jack: It is a bit of a moveable feast, but it is a fair question. There is also, for example, what we are doing with universities—the Chevening, Marshall and Commonwealth scholars and so on. There is work to bring in those, and they bring benefits, because they can well bring in skills and talents that stay, especially high-tech jobs—we are quite focused on high tech. Is there a strategy? Yes. The strategy is one of bringing high-tech businesses to Scotland, which will bring high-earning, high-quality jobs. That is what we want to do.

Q277 Wendy Chamberlain: Is that happening in all 280 missions? When we were in Washington as part of Tartan Week, I was really impressed with the team we met there. To be frank, that was because one of the leading members of the team was Scottish; he understood that a win for the UK is a win for Scotland. I want to be assured that we are thinking about how we do that everywhere else.

Mr Jack: The answer is yes. The message is very clear, and that is part of the levelling-up agenda. Don't get me wrong, it is competitive and there will be people pushing for the north of England as well, of course. That also ties in very well with my opening remarks, when I mentioned the £200 million investment from Japan, which is going into the Cromarty Firth freeport area—to Nigg, from memory. That level of investment coming in with the freeports is very important us, and everyone is briefed on how to press that. Hopefully, with investment zones—we are in discussion with the Scottish Government about two investment zones in Scotland, which will have similar tax breaks to the freeports—we would again want people to be focusing high-tech businesses into them. Our



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discussions with the Scottish Government are reasonably well advanced, although there are some bits and pieces, but the investment zone formula will be the same as we are doing in England or Wales and will hopefully bring big opportunity for inward investment. As I said, we want high-skilled jobs that bring good wages.

Q278 Wendy Chamberlain: Minister Rutley, from an FCDO perspective, are you conscious of the question I posed: how do we spread the skills and the knowledge and understanding of Scotland?

David Rutley: It is a good question. We make sure that all heads or deputy heads of mission get, as part of their induction, proper training about what is going on in the different parts of the United Kingdom and what is happening in the devolved Administrations. I want to reassure you that there are big, UK-wide targets with Race to a Trillion and the push on exports, which I am sure we will hear about from DBT colleagues.

In the conversations I have when I travel, however—Mark Menzies is incredibly well travelled in his work as a trade envoy, and he has done phenomenal work—this is just a very natural part of the work. I was in Kentucky, where we were talking about bourbon, but if we talk about bourbon, we talk about Scotch whisky. They are completely intertwined.

Wendy Chamberlain: You cannot have Scotch whisky without bourbon whiskey.

David Rutley: You can't. It is completely integrated. When I came to Edinburgh, I went to the Johnnie Walker Experience. I don't drink, but even I was impressed by that experience. It was incredible. The bourbon whiskey team in Kentucky wanted to learn from Scotland about how to do that.

Those are perfectly natural conversations. When I am in the Dominican Republic, they talk about their love of Scotch whisky, and there is this reciprocal trade in rum. If you are in Mexico, it is Scotch and tequila—

Mr Jack: For someone who doesn't drink, you are very well versed.

David Rutley: Don't forget that I used to be the Food Minister at DEFRA, so I have been on all the tours to all the distilleries but never had the satisfaction of enjoying a tipple. The process is unbelievable and the artisan and craft nature of it all is amazing. That is a kind of traditional view, but now with wind turbines, I am having the same conversations about that in north-east Brazil. I was in Costa Rica a few weeks ago. They are absolutely keen to diversify their energy.

Q279 Wendy Chamberlain: So that traditional element is helping you open the door—is that what you are saying?

David Rutley: Absolutely, but what I am trying to say is it is part of a strategy, but it is part of a very natural conversation because what Scotland is doing in key exports—whether it is the traditional whisky and salmon or the new transition in energy with wind turbines—is industry-



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leading, and everybody wants to know about it. It is just a perfectly natural conversation to have, which we do pretty much have every time I am overseas.

Q280 Wendy Chamberlain: Fantastic. I am very conscious of time, but just very briefly, Lord Offord, do you see your joint role from an international trade and Scotland Office perspective actually capturing a lot of the issues that I have raised?

Lord Offord of Garvel: Yes. I think it is a lot easier than you think because wherever you go in the world, you find Scots. Wherever you go in the Foreign, Commonwealth and Development Office, you find Scots. Wherever you go in the Department for Business and Trade, you find Scots, so it is not difficult. It is a very easy conversation. Whether you are in India, Beijing or wherever you might be, you will find a Scottish contingent. Just in the last three months, we have been in Bangkok at THAIFEX for food and drink; we have been in Singapore; we have been in Brazil to talk about our strengths in precision medicine; and we have been in San Francisco for Photonics West—all Scottish companies.

Q281 Wendy Chamberlain: And that is part of a strategy rather than a reactive response.

Lord Offord of Garvel: Well, it's a bit of pull-through—because the Scottish teams in Brazil want to talk about Scottish products, don't they? What is really interesting is they want to talk about things like photonics, not just whisky and salmon.

Q282 Wendy Chamberlain: Is that environmental scanning happening?

Lord Offord of Garvel: Yes, this is happening. It is an ecosystem that works, and because Scots are always over-represented wherever we go, of all the countries in the UK, we should not worry about this for the Scots.

Q283 Deidre Brock: I want to ask some questions, but first I would like a quick overview, if I can, from Minister Rutley and the Secretary of State about how Scottish interests are represented in your Departments in relation to international work.

David Rutley: From our perspective, as we have said, we have 280 missions overseas in 180 countries, but one figure we have not shouted out too much is that we have 17,000 people working in the UK and around the world to promote UK interests, which obviously includes Scotland. There is an incredible platform there which I think everybody would acknowledge punches above its weight. I will let Lord Offord be the judge given his dual interests, but there is no question that Scotland, within that already impressive platform, does a good job of punching above its weight.

Lord Offord of Garvel: Every stat you want, it is above 8% of the population: whether we do 30% of UK food and drink exports, whether we do 25% of renewable wind, whether we make 60% of Europe's satellites—we can go through the list if that is what you want to do, but I can just tell



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you that we Scots feel that whatever we do, we have to punch above our weight, and we do that every day.

Deidre Brock: It is good to hear you being so positive, Lord Offord.

Mr Jack: As you know, we press Scotland's case across Whitehall Departments and work closely with the Department for Business and Trade and the Foreign Office. Funnily enough, we are setting up a cross-Whitehall delivery board, which I will be chairing. That is to ensure that the UK Government's work is aligned in delivering priority outcomes for Scotland and to spot where the opportunities are so that we can exploit them, particularly on trade and investment.

Q284 **Deidre Brock:** I did not know about Bangkok and some of the issues you mentioned, Lord Offord, but I certainly knew that France, Spain and the US—obviously, with Tartan Week—have been visited by Scotland Office Ministers fairly recently. Those were also three of the 15 No. 1 target countries for Scotland in terms of growing its export potential. Can you tell us how your office co-ordinates those visits with Scottish Government ambitions and the work that is already being done there?

Mr Jack: Are you talking about Scotland Office visits to those places?

Deidre Brock: Yes.

Mr Jack: We work with the Department for Business and Trade. We know that the officials are linked in to Scottish Government officials. We have Department for Business and Trade officials in Edinburgh. We co-ordinate where best to visit and facilitate meetings and how best to use a Minister at an embassy to get the right people and potential investors in the room for meetings. That is one of the things. One advantage of having a UK Government Minister in any location around the world is that the ambassador or high commissioner can invite interested parties to come and meet the Minister and other interested parties. As you know, we often go on visits where we take businesses with us —India is a good example. We invite them to come with us at their expense and we create the opportunity to attract inward investment.

Q285 **Deidre Brock:** I see. Do you co-ordinate closely with SDI— Scottish Development International?

Mr Jack: Yes. I have just answered that.

Q286 **Deidre Brock:** So the Scottish Government are involved in all of that discussion?

Mr Jack: Of course. As I say, through officials we try and make sure that we share the information on where the opportunities are and that we can best score successes.

Q287 **Deidre Brock:** I noticed that Reuben Aitken from the SDI said, regarding the new trade hub that is based in the Scotland Office, that he thought it was "critical" that "we don't trip over each other"—that was specifically in regard to the Department for Business and Trade, or representatives of



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that Department—and that “we’re really clear about additionality.” Are you satisfied that that is happening?

Mr Jack: It is for the Secretary of State for Business and Trade to be satisfied that that is happening, but I am satisfied that we are using our 280 missions around the world effectively, that we are linked in with business, and that we are doing our very best to enhance Scottish products. I have no doubt about that. We also speak to the stakeholder organisations. We have made available the exporting facilities that the former Department for International Trade, now part of DBT, brought to the party, but we also are looking for the inward investment opportunities. That is why it has been very good for DIT and BEIS. In the break-up, you ended up with Business and Trade under one roof. This is an important point. On one side, while you are looking to do exports and these visits and trade missions, you are picking up the international trade opportunities coming the other way—the inward investment opportunities—so it is absolutely right that you have all that under one roof.

Deidre Brock: Terrific. I am very conscious of time—

Mr Jack: Are we really that short of time?

Chair: You have generously given us an hour and a half—

Mr Jack: I said “until we vote”. That was the point I made when I came in, before we started. We are here till we vote, if that is what you want. I don’t think there is any need to rush me along.

Lord Offord of Garvel: Can I add to your point? This is quite a complementary effort. You used the word “additionality”. It works perfectly well. The UK covers 115 markets with 1,400 people. SDI have got 100 people covering 35 markets. You indicated that you have targeted 15 countries.

Deidre Brock: Well, there are more than that, actually.

Lord Offord of Garvel: You have got 35 markets. You have tier 1, which is the top 15, and then you have the eight missions within the embassy network, so places like France and Germany will be in the top tier. That engagement will happen through the British embassy, which will work with the UK DTI and SDI working together. If you talk to them you will find that they are working hand in glove.

Q288 **Deidre Brock:** Okay. Can I ask about the potential tension between the GREAT campaign, which I think was referenced by one of our witnesses, and the work being done by the Scottish Government to promote Scotland overseas? The Cabinet Secretary for External Affairs, when he was here, praised “the FCDO at post and in London in the vast majority of cases” for the “positive relations and support”. But he did say—

David Rutley: I think he called them excellent, actually.

Deidre Brock: There you go. But he did say that the GREAT campaign



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sometimes contains "no visibility for the Brand Scotland campaigns that promote Scotland." How would you answer that, Minister?

David Rutley: Well, it is a UK-wide campaign, but it shouts out "Scotland". I certainly experienced that when I was working as a DEFRA Minister on food. Clearly, Scotland does an impressive amount of work promoting Scottish food and other Scottish products, but there is a role for GREAT as well. GREAT does a good job promoting the outdoors in the UK, and from my perspective, Scotland is supreme in that space, so it gets a fair share of voice within that campaign. I think it is important. I realise that there are different views across the border in Scotland and up north, and there will be other desires to promote that Scottish brand. But I think it has worked particularly well in the food space, clearly, when you see what has happened with whisky and with salmon.

Q289 **Deidre Brock:** Well, indeed. Lastly, the Secretary of State mentioned that the UK Government are working in support of Scotland's interests, and you mentioned your time as Under-Secretary of State at DEFRA. We met during that time to discuss GIs. I think that was at some stage back in 2018 or 2019.

David Rutley: It was some time ago, so if it is a technical question there may be a letter coming your way; put it that way.

Q290 **Deidre Brock:** Well, I wanted to ask, because there was an article very recently about the fact that British foods are still awaiting protected status in Japan. I think there are 14 Scottish GI products still waiting for that. Matthew O'Callaghan, the chair of the UK Protected Food Names Association, said it had sought answers from the government but found it difficult to get a response. "I think they have other priorities," he said, "We are left vulnerable." GIs are very important to many products in Scotland—the Secretary of State is nodding his head.

Mr Jack: Yes, I agree.

Q291 **Deidre Brock:** Can you give us an update on where things are with that?

David Rutley: Look, it has been a long time since we spoke about geographical indicators—that's for sure—in a very different context, as you will remember. I will take that away and follow up. It is important, absolutely. Very important. I get it; you get it, and I will follow up. You know I will.

Deidre Brock: Thank you.

Q292 **Douglas Ross:** Good afternoon, Secretary of State and Ministers. There are a number of issues I want to look at. First, Secretary of State, when you were here just two weeks ago, in your evidence you said there were "five or six" examples where Scottish Government Ministers, when they were abroad, had raised issues of reserved competency. The Chair has written to you since then about that, but to help our inquiry, is there any further information you could put in the public domain about that? When Angus Robertson was here, he gave the impression that everything was done above board, and he only ever responded to questions about



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independence, for example. He basically said that any allegation of inappropriate use of time by Scottish Government Ministers encroaching on reserved issues was false. Could you substantiate what you said a couple of weeks ago?

Mr Jack: Right. Well, I mean—

Q293 **Douglas Ross:** Just one example.

Mr Jack: I said “five or six”. I did obviously think about that, and I expected this question from the Chair at the beginning. I think he was probably heading in that direction, but we didn’t quite get there. It is a fair question. I am reluctant to get into the details of specific discussions that have taken place, because you will appreciate that they can be in sensitive areas with Ministers, overseas Government Ministers and so on. To try to give as clear a picture as possible, I have pre-prepared some answers to this question, as I say. I will rattle through them.

The first one is in Washington. Nicola Sturgeon, who may be a person of interest to this Committee, was clear that she had discussed the constitution with the US Deputy Secretary of State, Wendy Sherman, during a visit to Washington DC in 2022. She tweeted that she had “discussed the situation in Ukraine and resulting refugee crisis, the Northern Ireland protocol and the constitutional future of the UK” during a meeting.

In Paris, Angus Robertson—and this is a Scottish Government freedom of information release, which I have with me and is easily attainable—during a meeting with the French EU Minister, discussed the EU Erasmus scheme and the UK Turing scheme. He commented that there was “no alternative other than Scotland to be part of the EU again.” Such criticism of UK policies clearly undermines our relationship with international partners.

At a trade event in Poland, which was attended by a European Secretary of State in a Ministry of Economic Development and Technology, Ivan McKee said that Brexit was a mistake, and that he looked forward to Scotland joining the EU as a full member in due course, and showing the rest of the UK the benefits of membership.

There are other examples—I will give them very briefly. As a Minister responsible for EU issues, Mr Robertson described Brexit as a calamity; he said it posed additional challenges for Scotland, not least because Scotland was pro-EU.

At a St Andrew’s day reception in a European capital, Mr Robertson said that Scotland would rejoin the EU as an independent nation and criticised the impact of the EU exit on student exchange programmes to Scotland.

Finally—although there are many other examples, as I say—an FOI release at the end of November showed that the Scottish Government’s offices overseas had been used to correspond with the EU on constitutional matters, which are reserved. That is a freedom of information release, so you can get hold of that if you need to.



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Those are six examples, which is what I promised you last time, and there are others that involve more sensitive discussions that were taking place.

What we want to do is facilitate the Scottish Government, on trade and culture and other things, to go and talk to other Governments, but not to go and talk about matters that are reserved, like the constitution or foreign affairs or whether or not they want to have Trident at Faslane. These matters are reserved.

Q294 Douglas Ross: Is it fair to say that these examples that you have shared with us today, and the others that you cannot because of understandable sensitivity reasons, are the basis for the work you have done with the Foreign Secretary to make it clear to embassies and high commissions around the world that there is a place for Scottish Government Ministers and officials to go out and promote trade in Scotland, but not these other issues that are clearly reserved to the UK Parliament?

Mr Jack: Yes, and it is also the case—consuls of foreign countries have made this point to me directly—that they find it uncomfortable when Scottish Government Ministers raise separation, independence or other constitutional foreign affairs issues with them. The French consul or Spanish consul or ambassador would not want or expect to have to organise a meeting for, say, the separatists in Catalonia or Corsica with UK Government Ministers, nor would they expect us to meet with these separatists from other countries—they understand that we are one state, the United Kingdom. It puts them in an invidious position, and it is not appreciated.

Q295 Douglas Ross: Could I move on? This is either to you, Secretary of State, or to Minister Rutley. The Chair asked in one of his questions about what you, Secretary of State, are doing to de-escalate the tensions between the UK Government and the Scottish Government over this. What have you seen from the other side, in your engagement as Minister for devolved policy within the Foreign Office and as Secretary of State, of efforts by the Scottish Government and their Ministers to de-escalate tensions?

Mr Jack: Shall I go first and you go second?

David Rutley: I wanted to get in first, but you go ahead—you're senior.

Mr Jack: The answer is that we have had a lot of pushback on it and no acknowledgment of these blatant breaches, if you like. I am trying to de-escalate it by working with the Foreign Secretary to create the clear parameters whereby we can all work together constructively, but we cannot work together constructively when there is someone in the room talking about independence or rejoining the EU or other approaches to foreign affairs, whether it is around refugees or whatever it may be that there is disagreement on. For that reason, I think if we can just all stick to our brief and deal with the things that are in the devolved space, we can get on a lot better together, rather than having this unnecessary tension.



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David Rutley: Well said—you have put it better than me. All I would say is that this idea of having somebody in the room is just standard practice. Whenever I go anywhere, there is somebody in the room. Many of you have been Ministers as well and will know that it is to ensure that there is coherence in message. I am capable of making a mistake, and they can help correct the record or give advice as required. It is absolutely standard practice.

What we need to do is move on from whatever concerns have been raised around this, to focus on co-ordination and collaboration. The good news is that the permanent secretary of the Scottish Government, JP Marks, who I know from my time working in DWP, was at Abercrombie House on Tuesday, the day after I was in Edinburgh. I understand that he spoke to the FCDO team there, and that went very well. He is down in London this week—on Wednesday, I think, but certainly this week—to talk at our leadership conference. This engagement is deep-rooted anyway, but we are making sure that at the most senior level there is proper engagement too. I hope that will be reassuring to the Committee. I think it is a very positive element.

Douglas Ross: As a final point, since we are not on a time limit any more, you have all spoken about less traditional elements of Scotland's trade and exports, yet a lot of the advertising by both the Scottish Government and the UK Government still has the similar themes of tartan, whisky and shortbread. Obviously as the MP for Moray I am very happy about that, but what more are we doing to promote our trade away from these traditional elements of Scotland, and what people internationally believe is all Scotland is about, when there is so much more?

Lord Offord of Garvel: The three Scottish companies in the campaign "Made in the UK, Sold to the World" are in fintech, satellite manufacturing and electric fire engine manufacturing, which you would not necessarily think of as being tartan and shortbread.

Douglas Ross: But you also wouldn't put that on a poster.

Lord Offord of Garvel: Well, it would look like a pretty good poster. On satellites, when we say that two thirds of the jobs that our kids are going to do are not yet invented, here's one: space. Where is it based? In Shetland. There is a massive opportunity coming down the line. People do not know that Glasgow has a company that makes two thirds of Europe's satellites, but we have to spread the message. Part of the campaign is to say, "Let's spread the message—back to the five key industries of the 21st century."

On fintech, between Glasgow and Edinburgh we now have the second largest cluster in the UK, and the third in Europe after London and Berlin. That means jobs at every level through the ecosystem, life sciences jobs at every level through the ecosystem, and so on. We have a great opportunity to do that when we go and do our trade shows. The four



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examples that I gave you are from the last few months and did not involve whisky or salmon.

David Rutley: I was in Buenos Aires, Argentina, and had meeting of at least an hour and a half to two hours with the Energy Minister, who had spent just under a week in the UK, with two or three days in Aberdeen looking at energy transition and wind turbines. There is huge interest—nothing to do with tartan, shortbread or all the things I like.

Q296 **Chair:** May I briefly come back to what you said about the six examples?

Mr Jack: Yes, I'd be disappointed if you didn't.

Q297 **Chair:** You described them as blatant breaches. It sounded pretty much like meagre fare: a tweet from Nicola Sturgeon, and Ivan McKee saying that Brexit is a mistake. Everybody in Scotland thinks, or most people in Scotland think, that Brexit is a mistake. The press will now be going through these in great detail, but come on, Secretary of State! Anybody from Scotland who is asked a question about Brexit is pretty likely to say that it is a mistake.

Mr Jack: No. You are not going to get any agreement from the panel on that.

Q298 **Chair:** We can disagree about that, but surely the majority opposes Brexit.

Mr Jack: As I pointed out, for her to talk about the constitutional future of the United Kingdom—her quote, not mine—undermines Scotland as part of the United Kingdom.

Q299 **Chair:** So you had that letter and fall-out in relationships because of this.

Mr Jack: No. I gave you six examples, and I said that that was not exhaustive. That remains the position.

Q300 **Chair:** I would like to hear more, if there are any more than that.

Mr Jack: I explained to you as well that there were sensitive discussions, Minister to Minister, that therefore would not be published, because they are part of the Foreign Office's work. It remains the case that there is no shortage of examples of where this is happening—and I think that you probably know as well as I do that it is going on, because I have just given you plenty of examples of it going on. It is wrong to do it. It undermines Scotland's place in the United Kingdom.

Q301 **Chair:** I am grateful for that. After you have given us these examples, people will be scouring through them to see the impact of the damage that that has done to UK relationships across the world. We will leave it at that just now.

Mr Jack: Let's leave it at that, but let's agree that the important thing is that when the UK Gov overseas is promoting Scotland and working with the Scottish Government and SDI, that it does so in the areas that are devolved, because that is what the Scotland Act was set up to create: it



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was for us to work together. Where things are devolved, the devolved Administrations can set out to do them better, but when it comes to matters relating to defence, foreign affairs and the constitution, they are reserved, and you will never find me giving any ground on that.

Chair: I think we will leave it to others to discuss whether it is blatant breaches or meagre fare, but we will move on from that just now.

Andrew Western: Secretary of State, you mentioned earlier that UK Gov was represented at Tartan Week for the first time since 2012. Indeed, several members of the Committee, including myself, were there also. A number of witnesses we have spoken to, particularly while we were over in the US—people at the embassy in Washington and members of various groups representing the diaspora—mentioned that they were perhaps unsure what the UK Government's strategy is in terms of participation in events such as Tartan Week. What do you see as the purpose of Tartan Week, Burns night and St Andrew's day events for promoting Scotland internationally?

Mr Jack: Because you have broadened it out, that is probably more a matter for the FCDO, but, to me, the importance is to raise the profile of Scotland. It goes back to all the great things we talked about, and Lord Offord has managed to add a number of other great things that Scotland has coming in terms of fintech, life sciences and so on. I mentioned renewables—what we did with oil and gas in the past, and how we led with the technology around the world following the experience in the North sea. We want to take that renewables experience and sell that.

A good example—I know it is not Tartan Week, but still—is Vietnam and the relationships that we have been building up there. There are huge offshore wind opportunities in Vietnam, and Scottish businesses are being wired in through our network to businesses in Vietnam to harness that opportunity. What do these things achieve? For me, they achieve the platform in a less rigid way, so it is not "Come to listen to a lecture and be spoken at." It is a less rigid way of engaging with people and of networking people, but also of flying the flag and highlighting the opportunities and the great assets that we have. Do you want to add to that, David?

David Rutley: Definitely. They are about creating good will, they are about creating active dialogues, and they are about creating these opportunities. What we are particularly good at, whether it is in Scotland or in the UK more widely, is creating a sense of occasion. These senses of occasion—these moments in time—are really important opportunities to help people understand who we are as people and the values that we stand for.

The coronation was a seminal moment in time. For a moment, over a week or so, the spotlight of the world was on the United Kingdom and on the King. I think that has helped him now to move forward with his period as monarch, and that is what we can do well. Scotland does it really well. You can think of some amazing moments in time in Scotland itself—the



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Edinburgh festivals, for example. We do it more widely, and we can do it in-country. We have centuries of experience of doing this within the FCDO footprint. I have seen it myself. You have seen it when you have been at these events. They can, at the drop of a hat—well, hopefully with a bit more time than that—put together an amazing event that brings people together with that convening power that we have with that amazing platform. That is why we need to make sure it is used for the right purposes.

Mr Jack: Can I just add to that? It is not just things like Tartan Week, which is obviously 25 years established. I went to Finland and met Fortum. They provide clean energy power—energy from waste. They have announced that they will develop a plant in Glasgow, which will provide clean energy power to 38,000 households, and that is something that they hope to expand upon. These meetings, pressing the case and building relationships with people, are invaluable. If you do not do it, someone else will.

Q302 **Andrew Western:** In this section of my questioning, I am particularly interested in how we use the traditional events to do that. Minister Rutley, are you able to say how many events for Burns night and St Andrew's day are held across the UK embassy network each year?

David Rutley: Let me just take a quick look. I know there have been a large number—that is for sure—particularly on Burns night.

Lord Offord of Garvel: It might be a bit easier to list the ones that did not.

Q303 **Andrew Western:** The reason I ask is that in the past we have had witnesses, including a witness in December from Scotland Food & Drink, who have said—obviously, Tartan Week is a separate entity—that we were not making enough of Burns night and St Andrew's day through the embassies at the moment.

Mr Jack: While Minister Rutley is looking through his notes, I can tell you that I did St Andrew's night in the Paris embassy on 30 November last year. The Scottish Government have asked whether they can have the embassy or whether we want to do it again, and we have said, "No, you must do it if you want to do it." Again, that is just how it is. We will do one somewhere else, but plenty of others happen. The Paris embassy will do a Burns supper as well. Will everyone? No, of course not every embassy will necessarily do everything—it is not co-ordinated that way—but there are a lot of events. This goes back to Douglas Ross's comments about shortbread, tartan and whisky. It is not just on St Andrew's night and Burns night that events happen. For instance, Minister Lamont's visit to Madrid did not coincide with any of that, but he still had very successful engagement when he was there.

Q304 **Andrew Western:** Secretary of State, could you tell us how much the Scotland Office has spent on foreign visits in the past six months, and on Tartan Week specifically?



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Mr Jack: Minister Lamont's flights and accommodation for Tartan Week—I can tell you this because I have a note on it—cost £2,140.30; we like to watch the pennies. I can write to you if I do not have a list of everyone's visits, costs and expenses. Actually, I have one page: India, Lord Offord—£1,906.50.

Lord Offord of Garvel: Good value.

Mr Jack: As I said a minute ago, I went to Finland and Norway, and that was £477.43; I stayed in our embassy, so that was the cost of my flights—and a very successful trip it was too. Minister Iain Stewart went to Denmark and the Faroe Islands—£1,086.18. Lord Offord went to Iceland—£1,453.37. As I told you, I did the visit to France and my return ticket was an open ticket that cost £500. Minister Lamont went to Spain—you want the detail, you get the detail—and that was £1,055.92. And I have already given you the figure for Minister Lamont to go to New York for Tartan Week. The things you stumble across in your pack, eh?

Q305 **Andrew Western:** Indeed. This is a very open-ended question, I suppose, and you have referenced some examples already: what is the value to the Scotland Office and to Scotland from these overseas visits?

Mr Jack: I think I have probably answered that question, so in the interests of time I will not repeat what I have said, but I think the value is huge. I do not think you can encourage inward investment and facilitate the meetings for other people who want to meet in the embassy and to do trade—which takes everything to a higher level—unless you do it in person. You have to build those relationships.

It is the same for the Scottish Government and projects they have. That is why it is absolutely right that they make full use of the 280 missions we have and that we encourage it. You have to get out there and meet people, sell the story, encourage the investment and tell them, "We have a fantastic workforce, a wonderful country and a high standard of living. You will be able to employ the people with the skillsets you need. Come to us because we have all that to offer and more." And that works.

David Rutley: Just coming back to your point about Burns night, the most memorable Burns night was—

Mr Jack: Is everyone doing this or just you?

David Rutley: No, I am just talking about last year. For heaven's sake, Chair—please bring us back to order! The most memorable Burns night was at the Rothera research station in Antarctica; 140 people attended, including 50 Scots. The rest were from a whole raft of different places. We have had similar Burns nights—well, not quite as cold as that—in Vienna, Wellington and Barbados.

Andrew Western: We would be more than happy to receive a fuller list if it is available.



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David Rutley: There was also Accra. I have at least 12 here and I know that there are more.

Chair: There have been lots of Burns nights.

David Rutley: Lots of Burns nights.

Lord Offord of Garvel: Each of those embassies will pay for itself, and for them it is a UK event. For whatever reason, the English don't celebrate St George's day, which as you know is 23 April—also the birthday of Shakespeare and the anniversary of his death. We make sure that we have three bites of the one cherry. The English only have one, but they don't celebrate it. It is a major cultural event. For the British embassy, wherever they are in the world, it happens to be Burns and St Andrew's night; they pay for it themselves and wherever you go in the world, everybody wants that invitation.

Q306 **Andrew Western:** For my final question, I will turn back to you, Secretary of State, on Tartan Week specifically. What plans are there for future engagement with Tartan Week after re-engaging this year, as it were?

Mr Jack: Do we plan to return? Yes. Are we in discussions? Yes. The British consul general will tell you that he led a four-day event effectively showcasing culture, promoting tourism, engaging with businesses and the diaspora groups, so all that was happening—celebrating and promoting Scotland. It has been deemed a great, collaborative success by the SDI, the Scottish Government and the UK Government, and we fully intend to do it again next year.

Chair: Thank you. Now we go to our newest member, Mark Menzies.

Q307 **Mark Menzies:** It is my big debut, Chair. I mentioned at the start, Secretary of State, that I have been one of the Prime Minister's trade envoys since 2017, so just ask any questions so that there is complete transparency with that. We have the goal of getting to exports of £1 trillion annually by 2030. Do we have any indication as to what proportion of the export drive we expect to come from Scotland?

Lord Offord of Garvel: The answer to that question is that, in terms of our exports, we overperform in places and underperform in places. It is always good to celebrate our successes and it is always important to recognise where we underperform so that we can do better. Clearly, we overperform massively on food and drink—it is a third of the UK—but, if you take that away and look at the whole United Kingdom, 10% of companies are exporting, whereas only 4.5% of companies in Scotland are. That is below the 8% threshold.

Part of the plan to get the £1 trillion has to be not just the achievement of a high value number, because you can do that by focusing only on the largest companies. Just to be clear, 40% of our exports come from less than 0.5% of the total set—the big companies—and 60% of our exports comes from 250,000 SMEs. The big focus that I am bringing to the



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Department for Business and Trade is to ensure that we get to this number by pushing the SME agenda because that is where 80% of people live and work, and we want to create an economy where we have higher wages and more productive companies.

It turns out that companies that export are better managed, higher margin, more productive by 20% and pay higher wages by about 7%. The big focus in the Department for Business and Trade is now to push the SME agenda. That is where these new industries come in: the Scottish industries like fintech, life sciences, space—that is, satellites—and so on. We are very strong in the traditional salmon, shortbread and whisky. That doesn't, in a way, need any help. We now need to really push the new industries through to get that number up, so that we get our 4.5% of companies up to 10%.

Q308 Mark Menzies: I have to say that I have witnessed at first hand the work that is done to support particularly the satellite industry in Scotland. I do not know whether they are still referred to as Clyde satellites, but when I first engaged, that was what they referred to. I did not see anything that was just about Scotland; this was about a UK success story, and people rowed in behind to make it work and support them. What specifically is being done to drive those growth sectors—space, high tech and maybe also the fintech sector? Is there anything in particular that we are doing to really drive those areas in which Scotland is expected to overperform, and are there already great success stories where we have?

Lord Offord of Garvel: One of the great benefits that we have in Scotland and the reason why we are front and centre now in those five key sectors is our higher education and our universities. We have three of the top 100 in the world. That is pushing that. Those of us who live in Scotland know that we have a reasonable track record of start-ups; the big issue is how we scale up. The way to scale up has to be exporting, because the domestic market is too small. We have to get those emerging companies to market, and a whole series of tools is being developed at the moment by DBT. There are things like the Export Academy and the export support service, if you are a first-time exporter.

For example, we talk about the CPTPP. We need to stop talking about that because it is a bit of a tongue-twister! It is countries like Mexico, Peru, Chile and Malaysia. We want to be saying to these companies in Glasgow, "Have you thought about exporting to Malaysia or Peru?" They would ask, "Well, how do you do that?" The issue is that if you say to anyone who runs an SME, especially if they are on their PC at 8 o'clock in the morning and they switch it off at 10 o'clock at night and they are fighting hard to get through the day, "By the way, have you thought about exporting to Malaysia this week, Mark?", they would say, "You're having a laugh. I am just trying to get through my day and I am trying to get my stuff through Felixstowe." The question is this: how do we get the Department for Business and Trade now plugged into these businesses? We have all the tools. We have the export finance; there is money available. There is a network available. The export champions are available.



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Tomorrow, I am going with the Secretary of State for Business and Trade to County Hall for the launch of an e-commerce convention, where we think we can target an extra 70,000 SMEs—first time that they will export—because e-commerce is obviously the way to introduce new companies to the export market.

Our job, therefore, is to facilitate the increase of trade through the SMEs, to get SMEs into markets, because the one thing about the SMEs and their products is that sometimes they don't realise how valuable they are around the world. "Made in Scotland, Sold Abroad" means a lot to a lot of people overseas: in Vietnam, Mexico and Peru. You know, there is a hinterland in Chile; Chileans want "Made in Scotland" and "Made in the UK".

There is a great opportunity for us at DBT to get really focused with the single market and the border. We are going to create one single point of border, have trusted trader schemes and cut down all the friction of getting trade. That will be the big effort for me in the next 18 months.

David Rutley: Could I just come in briefly, Chair? I would like to acknowledge the work that Mark has done in Latin America as the Minister for the Americas and the Caribbean. He has been a trade envoy for a little while.

Mark Menzies: Since 2017.

David Rutley: That is a long time. He has been working in four countries: Colombia, Argentina, Peru and Chile. The work that he did, particularly on Scotch whisky tariffs in Argentina, was awesome and shows the work that can be done. I think he will be a real asset to the Committee in terms of helping to see how we can promote Scotland within the UK context, that's for sure.

What is also worth looking at in terms of these non-traditional areas is the Atlantic declaration that the Prime Minister was able to secure in the US last week. That is really important when it comes to issues such as critical minerals and supply chains. As we look at the geopolitical environment we are working in now, looking at security of supply chains will be key. Our relationship with the US will be profound in that and central, so that was a real step forward. Scotland will clearly be able to benefit from that, including from the tech sectors.

Q309 **Mark Menzies:** I have just one final question, Chair. Again, this is maybe directed more towards Minister Offord or the Secretary of State. Foreign direct investment is the other side of the export coin: that ability to attract high-quality jobs into Scotland. We have touched on Japan, offshore wind and so on. Again from personal experience, I am looking at Grupo Daabon's investment, I think in 2018, into the east end of Glasgow. They bought a company called Soapworks—a lot of jobs. They use that now as their design and export hub, pretty much globally.



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What else are we doing to attract those types of companies into Scotland, to showcase what Scotland has to offer as a place to invest in and to do business, and often then to re-export from?

Lord Offord of Garvel: There is a Minister in the Department for Business and Trade whose sole responsibility is inward investment. I have met the team who work behind him and they are trawling continually on where the opportunities are for exports, and what's interesting is that Scotland keeps coming up, because we still have the brains, the innovation and the problem-solving skills there that the rest of the world wants. But they are completely agnostic as to where they go. When that particular team trawled through and worked out that there was a big case for renewables—the Sumitomo thing—the first thing they did was go to the Scottish Government and the UK Government. It was a complete joint effort—

Mr Jack: £200 million is the investment, I think.

Lord Offord of Garvel: The point is that this is being done and I have met the team that is doing that—they are mining away—and where it is relevant to Scotland they will come straight to the Scottish Government, the UK Government—the DBT—and push that through.

We can always do more, but we have a great hinterland to build on.

Chair: Just for colleagues who joined us later, the order I have is that David will be next, and then it will be Philippa Whitford and then Sally-Ann Hart. I call David Duguid.

Q310 **David Duguid:** Thank you very much, Chair. I have a couple of very quick questions for the Secretary of State based on some of his earlier comments. Secretary of State, I think that you said in your introductory comments that a lot of people have mentioned that there is a lot more to Scotland than just the tartan, shortbread, whisky and salmon. I must say that other fish are available! You also mentioned the energy transition and I know there is lots of focus on what we are doing with renewables. You mentioned being able to sell that expertise in renewables, like we used to with oil and gas, although oil and gas will still be very much part of the transition.

Something that came up quite a lot when the Committee visited the US a few weeks back was the question of how we actually do the transition. Do you agree that it is not just about selling renewables or about continuing to sell oil and gas? Do you have anything to say about how we sell the process of actually making the transition happen? Is that something you have come across? Perhaps Lord Offord might have more to say—

Mr Jack: You can take it if you want to—

Lord Offord of Garvel: I am happy to take it, because Robert Gordon University are all over this and when I was at COP26, I went along to the Net Zero Technology Centre, who had a seminar, and it was by Robert Gordon and about net zero. They plugged into Calgary, Perth in Australia, Berlin, Houston—they plugged into basically all the energy hubs, and they



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were leading the discussion on the transition: how you transition. That was led by Scottish voices, a Scottish university and North sea capability, and very much with the feeling that the capability we have there is what is required for the rest of the world—and that is what they want to buy. When we look at our future exports—the £1 trillion—what we are going to find is that our services are going to go higher than our goods, because that obviously reflects our domestic economy; we are much more a service economy. What the world wants to buy is our expertise, ideas and thinking on big subjects like this, and oil and gas is right at the top when it comes to transitioning energy.

Mr Jack: That will be music to your ears.

Q311 **David Duguid:** It pretty much confirmed my suspicions, shall we say? Following on from that, Minister Rutley, you mentioned the various states that you have been signing memorandums of understanding with. Rather than an actual US-wide trade deal, we are kind of doing that state by state. I was wondering whether Maine had been on your radar at all, because during our visit with the congresswoman for Maine, she was very interested to learn more specifically about offshore wind, because that is something they want to look at there. Is it on your radar?

David Rutley: It is a very good point. We don't have an MOU with Maine. We do have four MOUs with four different states: Indiana, North Carolina, South Carolina and—I will wait for inspiration on the other one. And we have four more active dialogues going on with Texas, California, Utah and Colorado. They are good. As far as Maine goes, I seem to remember having a conversation with one of the governors in New England—I can't be 100% sure it was Maine—when I went to the governors conference in January, and there is no question: in New England they are absolutely interested in offshore wind. But it's not just there; I met the mayor of Cleveland last week, in Ohio, and they are really interested in offshore wind on the great lakes. There is a huge amount of opportunity for Scottish businesses and Scottish expertise in those areas—absolutely.

Q312 **David Duguid:** I think I got divine inspiration just before you did: the memorandums of understanding that you already have are with Oklahoma, Indiana, North Carolina and South Carolina.

David Rutley: I send my apologies to Oklahoma—absolutely.

Q313 **David Duguid:** But the main line of questioning I want to pursue is on the trade and investment hub based in Edinburgh. I was fortunate enough to be in the Scotland Office when that was launched. It was me and Graham Stuart, who was the Exports Minister at the time; it took two of us to be involved in that launch, so it's good to see Lord Offord filling both roles. Douglas Ross and I were comparing notes, because we have both been Ministers in the Scotland Office, but unfortunately during covid, so we were not able to go as far away as some of our colleagues. What are the priorities for that hub? And what responsibilities does the trade and investment hub in Edinburgh have not only in supporting Scottish-based companies to access export opportunities, but in helping



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those companies that could be exporting to access the export support from the UK Government?

Lord Offord of Garvel: That is what they are positioned to do—there are now 13 of them in position. We have already talked about the fact that SDI runs very well, and runs very well in conjunction with the UK Government. We also have a set of industries that are very good at this: salmon, shortbread, whisky, and so on. The focus now has to be back on the number: we need to double the number of companies exporting from Scotland. That needs to be the immediate target. That is about getting the tools to them, and that will be the whole focus now.

If you are a first-time exporter, how do you go about doing it? What are the three things you want to know when you export? The first is: who do I normally come to that I can trust? You need someone to talk to. Misery loves company, so who can I talk to that has been down this road before? The second is: how do I get a trusted partner or network of distributors and customers that I know I can do business with? The third is: how am I going to pay for my working capital? It is quite expensive to think about going to Malaysia for the first time. The fact is, we have the tools for all that. We have the export support service to get you connected to the network. We have 1,400 staff in 200 embassies and missions across the world who can connect you to the right people. There is UK Export Finance and the trusted trader scheme. We have it all set up, so now we have to find a way of making it accessible and joined-up, and communicate it in order to reach our target of doubling the SMEs. The tools are there, and we now have the team on the ground—and hopefully more often—so we will get on with it.

Q314 **David Duguid:** How many staff are based in Edinburgh in the trade hub?

Lord Offord of Garvel: 13.

Mr Jack: Indeed, 13.

Q315 **David Duguid:** How does that compare with other hubs around the country?

Mr Jack: It is actually 30% more than we expected. The hub in Edinburgh was going to have 10 full-time staff, but it has 13—because we are very ambitious.

Q316 **David Duguid:** We heard earlier about the concerns raised by Scottish Development International—I think the expression used was “tripping over each other”—but when we launched the hub a couple of years ago there was a lot of excitement from SDI, which attended the launch. It was looking forward to that extra support, or horsepower, I guess. What steps are you taking to ensure that SDI, the Department for Business and Trade, the Scotland Office and everyone works together in the most effective way?

Lord Offord of Garvel: When it comes to tier 1 countries, the SDI has targeted its top territories. That is based effectively on where the existing exports are. We have just signed this new deal—the CPTPP—with 11



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countries in the Pacific ocean. Trump took the US out of that, and the Americans cannot believe we have come in and got their place at the top table. This is the fastest-growing middle-class consumer group in the world. They want to buy goods made in Scotland. That is where the UK Government has reach. SDI does not have reach in Chile and Peru in the same way it does in France and Germany. We are not tripping over each other. We are working to our strengths. Where we are together, we can be additional and complementary. We have a much bigger reach, as the Secretary of State said, in Vietnam. There are opportunities in Vietnam and in Finland. The world is a big place. We have to get Scotland to the world.

Q317 David Duguid: You mentioned that these countries in the CPTPP arrangement are among the fastest-growing middle classes. Presumably, that is precisely the kind of market that wants to grow in importing or consuming the food and drinks sector, particularly, but also cashmere and lambswool and other products that come from Scotland?

Lord Offord of Garvel: But you also need to think about services. They don't want to just eat salmon and drink whisky. These are middle-class people. They are in professional jobs, working as lawyers, accountants and consultants; they want to be in the energy transition business in their own country. They want to be able to get up the curve and be compliant with their own net zero requirements. They want to come to our country to go to university and get educated and then go back. There is a huge amount of influence that we can have through selling our services to these countries that are hungry for what we have.

Mr Jack: I think I am right in saying that it is the largest free trade zone in the world.

David Duguid: Is it \$9 trillion?

Mr Jack: And growing.

Q318 David Duguid: It is difficult to imagine the numbers. I have a final question. At the risk of opening up the debate from earlier, going back to the US trip that the Committee went on and other experience I have had overseas, when people overseas talk about Scottish produce and services or whatever it is, the question of whether or not Scotland is part of the United Kingdom never seems to come into it. The Scottish brand is the Scottish brand regardless. Does that align with your experiences?

Lord Offord of Garvel: Trade does not recognise borders. If people want to buy and sell, they are not thinking about where it has come from. They don't think, "It has come from Scotland, which is part of the UK. Okay, I am not going to buy that. If Scotland were independent, I would buy that." That does not happen.

Q319 David Duguid: I have not come across that. Have any of you come across the idea that somehow the Scotland brand would be better if only it were not part of the pesky UK?



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Mr Jack: As I said in my opening answers to the Chair, the Scottish brand is held in high esteem across the world as things stand. That's just a fact; you can't get away from it.

David Rutley: I think that could be described as a leading question, David—but no, I have not found that.

David Duguid: Thank you.

Mr Jack: We know where you're going with that.

Chair: Nobody has found that, so we will move on.

Q320 **Dr Whitford:** In actual fact, from many of our witnesses, including Angus Robertson and the SDI, we heard that the working relationships with DBT and embassy staff were really good—contrary to the narrative that has been put forward. Angus Robertson said that he had always been accompanied. Indeed, I am sure that those of us who have been on foreign trips will have been the same.

Reuben Aitken of SDI did describe the knowledge of Scotland's industry sector as "a mixed bag". From many reports we have heard, there is variability; some embassies are fantastic and well wired in, using the events we talked about earlier and understanding what you describe as "modern Scotland". What kind of training do heads of mission and embassy staff get, not just on Scotland, although that is what this Committee is about, that says, "Here's the strengths of Scotland"—or Wales or whatever—"in the modern world, not just some cliché you might know about"?

David Rutley: Absolutely. We touched on this a little bit before you came in.

Dr Whitford: Sorry, I was in the Chamber.

David Rutley: No, no—it's absolutely fine. Our heads of mission or deputy heads of mission are trained on what is happening from a foundational perspective across the devolved Administration areas—the different parts of the UK. Certainly pre covid, they spent time in those different parts of the UK—in Scotland, Northern Ireland and Wales. That is beginning to happen again now and we obviously encourage that. It is key, so it is part of their induction.

Q321 **Dr Whitford:** Does that include industry or just visiting the three devolved Parliaments?

David Rutley: That should include industry as well as other areas—certainly in terms of my engagement. My understanding is that it does, but I can check that for you.

Dr Whitford: That would be good to know.

David Rutley: Just to reassure the Committee, there is at least engagement going on with the devolved Administrations, but it should be wider, and I think it is wider, but I will confirm that for the Committee. It



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is to ensure that there is an understanding that we get away from the stereotypes of the different countries and move things forward.

Lord Offord and the Secretary of State have made the point that diplomats are drawn from across the whole UK. I don't know what it is—I think there is something in the water or in the blood in Scotland—but it is interesting that we have some very senior diplomats from Scotland working in our network. If you don't mind, I will read out a few names, because the list is impressive: Kirsty Hayes, who I have worked with, is the British ambassador to Argentina—first class; Gareth Bayley, ambassador to Egypt; Roderick Drummond, ambassador to Bahrain; Fiona Ritchie, high commissioner to Malawi, which is obviously an important country with the Scottish relationship; and the ambassadors to Somalia and Azerbaijan—I could go on.

That says that Scottish people and talent are engaged in our diplomatic network, and they ensure that the view is of what Scotland is today—or indeed Wales or Northern Ireland, because it is important to highlight that our ambassador to Berlin is from Northern Ireland and our ambassador to France is Welsh. It is great to see their influence, and through that we will talk not just about traditional stereotypes, but about the future of each of these nations.

Q322 Dr Whitford: As I am from Northern Ireland and Jill Gallard is a fantastic ambassador, I will celebrate that. It goes to this business of variability we have heard about in reports and from different witnesses. It is fantastic that you have so many Welsh, so many from Northern Ireland and so many Scots, but surely the promotion of business and trade should not depend on, "Oh, good, you've a Scottish ambassador—that means Scotland gets promoted." How do you change and get consistency? If you are writing to us about the initial training, could you also let us know the frequency of the meetings and updates through which they are kept up to date with how the devolved nations are evolving, so that their sectors are promoted? Scotland is second only to London in foreign direct investment, so the promotion by SDI, the Scottish Government and so on is doing something successful—but exporting is critical. How do we improve that?

David Rutley: Because of those stats, we make sure that it is always at the top of the agenda. This week, I think, our high commissioner to India is in Scotland to make sure we promote Scotland to Indian markets more readily. There is a huge amount of work going on.

One thing we mentioned before—again, I don't think you were in the room—is that the permanent secretary to the Scottish Government went to meet FCDO staff in Abercrombie House, just outside Glasgow, so that they were able to hear more about his thoughts. Our leadership team from across the world, who are meeting this week, will also be hearing from the permanent secretary, in London.

So, just to reassure you and members of the Committee, there is ongoing engagement. I will get back to you on the specific point you asked.



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Mr Jack: I think Lord Offord wanted to come in, because the point you make about increasing exports is absolutely spot on.

Q323 **Dr Whitford:** That is why I would like to ask him a question. Lord Offord, you were talking—I don't think anyone would disagree with this—about the wish to increase exports and not just foreign direct investment. During Brexit discussions, it was highlighted that, for an SME, exporting to the EU was almost like an incubator for exporting—it was your first baby step at doing it. Do you not think that there is now a bigger challenge and that it takes a bigger effort to get a small SME to suddenly look at South America or India, when they used to be able to just post something across and build a microbusiness up into a significant exporting business?

Lord Offord of Garvel: I would say two things about that. No. 1 is that, contrary to some reports, we are actually still trading with Europe, and it is 50% of our total exports.

Dr Whitford: It is still harder than it was before Brexit.

Lord Offord of Garvel: I will give you the number. We had a big bounce back last year, which tells you that it is a post-covid recovery—covid is a bigger factor here than Brexit. For the whole UK, we increased our exports by 24% year on year.

Q324 **Dr Whitford:** Exports to Europe are down 15%.

Lord Offord of Garvel: In Scotland, to EU, 28%—so Scotland has done better than the rest of the UK selling to Europe. So I do not recognise that it has all of a sudden got difficult to sell to Europe. The numbers do not back that up.

Q325 **Dr Whitford:** I am sure all the MPs will have businesses who have had to reshape their business because they fall prey to rules of origin, or they have stopped—

Lord Offord of Garvel: And how well have they done that? Whisky and salmon had a record year last year.

Q326 **Dr Whitford:** Yes, but it still takes jobs out of my constituency if they open a centre in the middle of Europe.

Lord Offord of Garvel: Yes, but here's the second thing. I would argue that, in the last 40 years, we, the Scots, have been perhaps too focused on Europe. We need to get back to where our great-grandparents used to be—around the world, in Latin America. Mark knows we have a huge presence in Latin America—a hinterland. When I went to India, people said, "Oh, welcome back. We haven't seen you for a long time."

Q327 **Dr Whitford:** But why does it need to be either/or? Germany was trading massively with China inside the EU.

Lord Offord of Garvel: No, no, it is not either/or. We are in a great position; we can both have our cake and eat it. We want to increase our exports with the EU. We want to go to the parts of the world we have not



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been to for a long time, like Malaysia, Chile and Mexico. We can do both. For a new company exporting, there are actually some advantages to going straight to these countries through e-commerce. The whole world has changed because of digital, right? Going direct to Malaysia because you have some product that works for Malaysia, and targeting that, might actually be your best first step, rather than trying to get to France, where there are five other Scottish companies competing against you. Why not go to Malaysia? That's the answer.

Dr Whitford: I think we are just going to have to agree to disagree about the impact of Brexit. Thank you.

Mr Jack: I do think the numbers will speak for themselves.

Q328 **Dr Whitford:** Well, exports are down 15%.

Lord Offord of Garvel: They are not—they are just not. In terms of where we are versus 2018, we are now flat. We are a little bit below on goods and we are ahead on services.

Q329 **Dr Whitford:** But 63% of Scottish manufactured goods actually go outside—half to Europe, half to the rest of the world. So if we are down on goods, that is impacting—

Lord Offord of Garvel: But our services are going right through the roof. So it's a balanced scorecard.

Q330 **Dr Whitford:** A company that is a goods manufacturer does not suddenly just become a services—

Lord Offord of Garvel: But they now have access to much bigger markets, Philippa, than they had before, and it is our job to get them there.

Dr Whitford: We will have to agree to disagree.

Chair: Thank you for that.

Q331 **Sally-Ann Hart:** Good afternoon to our panel. The integrated review in 2021 describes the UK as the "soft power superpower", our soft power being "rooted in who we are as a country: our values and way of life, and the vibrancy and diversity of our Union." How would you define Scotland's key cultural or soft power assets on the international stage? I'll go over to you, David, first.

David Rutley: I think there are some truly outstanding areas, such as the Edinburgh festivals. When I was in Edinburgh on Monday, I met a group with the British Council Scotland, and it was impressive to see the strength of the universities that were there with Universities Scotland, and also shouting out were those amazing festivals in Edinburgh. There is a lot more that can be done across the network, but also in helping people appreciate those opportunities.

I just want to pause a little bit on what Lord Offord said, and this probably resonates well with Mark. I would also pray help from the Committee.



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Over the next year—in some countries, two years—we have an opportunity to celebrate 200 years of our relationship with Latin America. When we look at those historic links with the UK—and also with Scotland—it is extraordinary. I was in Asunción railway station—no longer used as a railway station—a few weeks ago, celebrating 170 years of UK relations with Paraguay. It was quite a moving occasion. Does anyone know where that station was built? It was built brick by brick in Glasgow and transported across. The amount of good will in those historic links is incredible.

Then you go to Argentina and ask about their enthusiasm for football, it is clear that it was Alexander Watson Hutton, a humble schoolteacher, who brought football to Argentina. Look what they have done with it: they have taught the Scots, English, Welsh and Northern Irish how to play with the round ball.

There are some extraordinary links. We have some great soft power assets, and I think we can go further with them. I would pray support particularly for our Latin American relationships, which are particularly strong and it is fair to say that our trade penetration is lower than it should be—

Lord Offord of Garvel: Yes.

David Rutley: I think that is an extraordinary area to focus on over the next couple of years, where Scottish links in those countries will be incredibly important, and their love for whisky and a raft of other things, including their curiosity about wind and fintech.

Sally-Ann Hart: Alister?

Mr Jack: I do not think there is much I can add to that, other than that my experience of South America is that the trout in the rivers down there came from Loch Leven, and they have done jolly well on the back of it.

It is clear that our soft power stretches across the whole world. I cannot add much to what David has said. The diaspora wants to hear from us. People want to do business with us, they trust us, they like our culture and history, and they know that we are straight talkers and straight people to deal with. That counts for a lot when you are doing business.

Sally-Ann Hart: Lord Offord, do you want to add anything?

Lord Offord of Garvel: I just want to say that when we went to Mumbai for our visit—the first overseas visit I did—we managed to turn that into a 100% Scottish event. It was meant to be four hours with DBT, and it might have been a Department-chaired event. We managed to turn it into a completely Scottish event. We took the Scottish Whisky Association with us, and we sat down with the politicians in the state of Maharashtra, where Mumbai is, and on our return they cut the tariff from 150% to 75%. It maybe was not directly linked—

Mr Jack: You took the credit, though.



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Lord Offord of Garvel: It certainly helped. As I have said before, we do not need to oversell this. We are overthinking this: wherever you go in the world, if you are Scottish, you are welcome.

Mr Jack: In New Zealand and Australia, the links are deep.

Lord Offord of Garvel: We have an opportunity to re-engage with that. The great thing here is that trade is trade, doing business is doing business. That means rising prosperity for an island nation. The more we can sell internationally to people who want our goods, the better we can get people upskilled in our country, get people into good jobs, into more productive jobs, especially helping the 20% of our population who are unskilled. We have got to get our arms around them and help them on the journey, get them on this wave selling to the world.

Q332 **Sally-Ann Hart:** Quite right. Looking at America, because I know some of our colleagues went there quite recently to find out more about the Scottish diaspora, the British Council told us that it no longer has an office in the USA, which for some reason I found quite surprising—I don't know why. How does the embassy in the US—I do not know how many there are in the US—ensure that Scottish interests, previously the responsibility of the British Council, are still represented in the US?

David Rutley: We have a number of Government offices in the US, and we also have a large number of consuls general. When I was on my last trip a week ago, before going to Edinburgh, I was with the consul general from Chicago, who covers 14 states and has deep engagement with all of them at state level, at city level and, increasingly, at a rural level, and I was out meeting farmers in Indiana. What we are trying to do across the UK, which is directly relevant for Scotland as well, is about having not just a strong relationship with the US, but an increasingly wider and deeper one.

I think we made some good progress with the Atlantic declaration last week, which was really important, but we are also working at a state level. As David talked about, we have those four MOUs in place already, and there are going to be a whole load more. The way that we are working, primarily, is through our consuls general and their outward promotion of what is going on, but there is lots of active interest, not just from FCDO Ministers like me, but from DBT Ministers and Energy Ministers. I cannot overstate how important that relationship with the US is from a trade perspective in particular.

Just to throw out a few statistics—I know Lord Offord could do the same—we have \$1 trillion invested in the US, and the US has \$1 trillion invested in the UK. Every day, 1.2 million Americans go to work for British companies in the US, and 1.5 million Brits go to work for US companies over here. There is £280 billion of trade every year between our two countries. In an uncertain world, that relationship is going to be pivotal to all that we do. I reassure you that we have not just relationships in DC and the Beltway, where they are amazingly strong, but beyond that, as

other Committee members will know, with deep engagement across the states as well.

Sally-Ann Hart: Thank you. Secretary of State?

Mr Jack: Again, I do not think that I can add very much to that. That covers the question. I am conscious of the time, because we are going to vote in eight minutes, but I do not think I can really add very much to what the Minister said.

Sally-Ann Hart: Okay—

Mr Jack: I could repeat it, if you like? *[Laughter.]*

Q333 **Sally-Ann Hart:** No, I will go on to the next question.

What importance do you place on engaging with international politicians and political caucuses who have an interest in Scotland? Is it different from engaging with politicians and caucuses as regards UK, or is it all in one?

Mr Jack: I will answer that one. When we do our overseas visits, we put a huge emphasis on meeting not only international partners, but international policymakers—that is also very important—and parliamentary groups. On the visit to Paris I mentioned earlier, I met with the Franco-British parliamentary friendship group, who have a strong interest in Scotland, and we met other Scottish-linked groups. There is obviously a large Church of Scotland group in Paris, for example. You try to facilitate everyone, but it is important to meet those parliamentary friendship groups. I know that Minister Lamont, when he went to Madrid recently, did exactly the same and met the main political parties as well, which was important.

I think I mentioned earlier that I met the Foreign Minister and President of Vietnam very recently. We talked about the huge trade potential and pressed the services that we can offer to help them with their offshore wind plans, which are enormous as they reduce their reliance on coal following COP26, and that is proving to be successful. The Scotland Office in Edinburgh at Queen Elizabeth House is, I think, next week hosting a delegation of Members of the European Parliament. A whole lot of things are going on all the time, and it will be no different with DBT engaging or the Foreign Office engaging; we all want to spread the network as far and as wide as we can.

Q334 **Sally-Ann Hart:** And you work together.

Mr Jack: Absolutely. The civil service across Whitehall, and into the Scottish Government and SDI, is very joined up.

Q335 **Sally-Ann Hart:** I know we have talked a lot about increasing exports and investment into Scotland, but I want to touch briefly on tourism. Tourism is a really important industry to this country as a whole, and to Scotland. What steps is the UK Government taking to promote Scotland as a destination for international visitors? Does it need to promote



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Scotland? Obviously, it has a very good reputation of its own. What are you doing?

Mr Jack: Minister Rutley referred to the cultural festivals, the Edinburgh festivals being enormous in all that. They are regularly promoted by the VisitBritain team, but they work in conjunction with the VisitScotland team. They are trying to pull together the promotion of not just those festivals, but the highlands and islands, Edinburgh and Glasgow—and on it goes. It is not just about tourism itineraries; it is about getting the message across that Scotland is a beautiful country to visit and has a lot going on at all times of the year. It is not just a summer thing; we have opportunities to ski, we have wonderful hill walking, our coasts have endless things—you can kitesurf and sea kayak. We could keep going until the bell goes. We will not do that, but the opportunities to do things in Scotland—field sports, fishing; I mentioned the trout from Loch Leven earlier—are enormous.

It is important that VisitBritain operates in conjunction with VisitScotland. No Department's budget is limitless. We know that there is a finite amount of money you can spend. It is important that that money is spent wisely and effectively, and that is very much in our thinking. I don't know if anyone wants to add to that.

David Rutley: Just very briefly, because of the time. Again, the bourbon industry in Kentucky is really keen to connect in with whisky. That tourism journey around whisky is important for a lot of people, as is golf. We could go on—

Chair: Yes, we could. We have given it a good airing.

Mr Jack: I have tried not to mention golf, but we excel at golf.

Q336 **Dr Whitford:** I have a follow-up to what you were saying, Secretary of State, about the size of the Edinburgh festivals and how they draw in tourists. Shona McCarthy, the chief executive of the Fringe, said the organisation was "not solicited for input, ideas or contributions" for international events by the UK Government, other than by the British Council, which we have just heard is no longer in America. Buster Howes of the Edinburgh Tattoo described his experience of engagement with the overseas network as "uneven" at best, and certainly described a lot of last-minute requests to rustle things up at some ridiculous timescale.

Mr Jack: Yes, but did they mention how they get on with VisitScotland? As I said, VisitBritain works hand in glove with VisitScotland, but the go-to organisation for these events would be VisitScotland.

Q337 **Dr Whitford:** They are talking about what we were talking about: embassy events—large events that promote tourism. They were not being consulted on how to promote—

Mr Jack: The Edinburgh Military Tattoo was part of the trip to India.

Q338 **Dr Whitford:** And they mentioned how last-minute it was.



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Mr Jack: Visits often are, because of the nature of the country you are visiting and what they can achieve. My experience with all these visits is that the agenda has been thrown together closer than you would necessarily like, if I can put it that way—

Lord Offord of Garvel: That was an opportunity we spotted, at short notice, to bring them in.

Mr Jack: Yes, but we offered them the opportunity and they grabbed it. If not, someone else would have taken it. That is the nature of these things.

Q339 **Chair:** In the last moments available to us, one important part of the inquiry has been about how the diaspora is related to and works for us. What we found, particularly in New York, was a very enthusiastic Scottish diaspora who have sometimes felt neglected and feel that they do not get the resources they require; they were going cap in hand to various places—the UK Government, the Scottish Government—just to be supported in certain initiatives.

What are we doing through our embassy network to ensure that we are relating properly to the diaspora? I know the Scottish Government has published a strategy and said it would “explore” how UK diplomatic missions could help deliver its aims. Have you had these conversations with the Scottish Government? In the one minute or so that is available to us, could you tell us what you are doing to work on this huge resource that we have working for Scotland? These are our megaphones out there who can speak up for Scotland and tell us exactly what is happening, so what is happening?

David Rutley: New York Tartan Week was great at bringing together various diaspora groups, including the Saint Andrew’s Society, the American Scottish Foundation, the New York Caledonian Club and others—we know about Chicago Scots. That is just in the US, and then we look more broadly. There is clearly good work going on already. I think there is more work we can do, and I look forward to working with the Committee on that through our network.

Chair: Excellent. Thank you ever so much to the trio of Ministers for your input today. I think there are a couple of questions that you are going to get back to us about, for which we will be grateful. Thanks for your time and for taking all our questions.