

DOHA FORUM CORE BRIEF

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Foreign & Commonwealth Office

GENERAL POLITICAL BRIEFING

Key messages:

Bilateral

- UK places great importance on its relationship with Qatar. Pleased that our collaboration has increased across the board. We remain committed to strengthening our relationship and believe continuous high level engagement is key.
- Looking forward to you/the Heir Apparent hopefully visiting the UK next year.
- Welcome the Qatar-UK Year of Culture 2013 which presents an exciting opportunity to strengthen cooperation in culture, education and sport.

Regional

- We see Qatar as one of our closest allies and events in the MENA region over the last two years have only deepened our cooperation. We have achieved a lot through working together, in Libya for example, and we want this to continue.

Internal

Politics

The Emir has begun a programme of reform aimed at increasing modernisation, openness and freedom. Qatar's first elections, to the Central Municipal Council, took place in March 1999; subsequent elections were held in 2003, 2007 and 2011. The Council consists of 29 seats divided into constituencies across the country.

In a 2003 referendum, some 97% of Qataris voted in support of a new constitution. This constitution, which came into force in June 2005, provides for elections to a 45-member Legislative Council (Majlis al-Shura). Two-thirds of the Council are elected, with the Emir appointing the remainder. The Emir has the authority to dissolve the Council at any time. All Qataris over the age of 18 are able to vote and stand as candidates. The Emir announced in November 2011 that elections to the Majlis al-Shura would be held in 2013. No date has yet been announced.

The constitution also contains provisions for the establishment of an independent judiciary, equal rights for men and women and freedom of expression for the press, freedom of assembly and freedom of worship. Elements of the constitution have yet to be fully implemented. On 12 December 2011, the Attorney-General Dr Ali bin Fetais Al Marri and the UN Secretary-General Ban Ki-moon attended The Rule of Law and Anti Corruption Centre

inauguration. The centre was built as an independent organisation that works in partnership with the United Nations to strengthen the rule of law and the fight against corruption. The Attorney General has since been appointed UN Special Advocate for Asset Recovery.

Culture/Education

The Emir and his wife, HH Sheikha Moza bint Nasser Al-Missned, are also leading a cultural transformation. The Museum of Islamic Art opened in Doha in December 2008 under a British Director Oliver Watson. The Qatar Foundation and Qatar Museums Authority are responsible for a series of initiatives to establish Doha as a cultural hub and to build the cultural and artistic capacities of the Qatari population, including through a series of new Museums and the opening of Katara, the Cultural Village. Doha was the Arab Capital of Culture in 2010. 2013 is the Qatar-UK Year of Culture, a celebration of British and Qatari culture, education and sport.

Sheikha Moza also chairs the Qatar Foundation for Education, Science and Community Development, founded in 1995, to provide specialised education to develop a future leadership cadre for Qatar and to develop Qatar as a research hub. A number of British institutions and companies, including UCL, Bloomsbury, Imperial College, Virgin, Shell, Vodafone and Williams F1, have formed partnerships with the Qatar Foundation.

Human Rights

Qatar ratified the International Convention on the Elimination of All Forms of Racial Discrimination in 1976 and the Convention on the Rights of the Child in 1995, and became the 186th State Party to the Committee on the Elimination of Discrimination Against Women in 2009.

The National Human Rights Committee was set up by Emiri Decree in 2002 with the aim of protecting human rights and freedoms. Representatives from a number of Ministries sit on the Committee, which produces an annual report that documents its activities and the support it has offered, and makes recommendations.

In 2009 the Office of the High Commissioner for Human Rights (OHCHR) officially opened the UN Training and Documentation Centre for South-West Asia and the Arab Region in Doha. In 2008 the Doha Media Freedom Centre was opened with the aim of securing and defending media persons and the freedom of the press. Also established in 2008, the Qatar Foundation for Combating Human Trafficking aims to combating human trafficking in all its forms.

In the run-up to the Qatar 2022 World Cup, there will be an increasing focus on the human rights situation in Qatar, particularly the rights of migrant workers who will be central to delivering Qatar's ambitious infrastructure plans in the next decade. Human Rights Watch published a report focusing on the issue in June 2012.

In late November 2012, Mohammad Al Ajami, a Qatari poet, was sentenced to life imprisonment following his arrest last year on charges of 'inciting to overthrow the regime' and 'insulting the Emir'. According to recent press reports Al Ajami had his appeal case heard on 25 February and had his sentence reduced from life imprisonment to 15 years. He plans to appeal to the Supreme Court.

International relations

Qatar is active in both regional and international diplomacy. It is a member of the Gulf Co-operation Council (GCC) alongside its neighbours Bahrain, Kuwait, Oman, Saudi Arabia and the United Arab Emirates, and hosted the 2007 GCC Summit in Doha.

Qatar currently chairs the Arab League Committee on Syria and the Follow-Up Committee of the Arab Peace Initiative, and has hosted a number of international meetings on both issues. In April 2011, Qatar hosted the First Contact Group meeting on Libya, which the UK co-chaired. Qatar has also hosted a number of Syria-related meetings in recent months.

In March 2009 Doha hosted the Arab League Summit and assumed the rotating Chair of the Arab League from 2009-2010. Qatar is a member of the United Nations Human Rights Council and was President of the 66th session of the UN General Assembly from 2011-12. Qatar was a non-permanent member of the UN Security Council from 2005 to 2007. It hosted the UN Financing for Development Conference in Doha in 2008.

Qatar has played an important role in mediating regional conflicts including in Lebanon, where it deployed peacekeepers as part of the UN Mission and, more recently, in Darfur, Somalia, and Yemen. In June 2010 Qatar successfully mediated the Eritrea-Djibouti border dispute. Qatar has also been active in the **Middle East Peace Process**, using links to a range of actors including Hamas. In February 2012, the Emir was personally involved in the signing of the Doha Declaration reconciliation agreement between Hamas and Fatah. The Emir visited Gaza in October 2012, becoming the first Arab head of state to visit Gaza since Hamas assumed power.

Qatar was at the forefront of political and military efforts in **Libya** and worked closely with us and international coalition partners. The National Transitional Council's 'Prime Minister' Jibril, spent the majority of the conflict based in Qatar. Qatar was also helpful in pushing a forward-leaning approach from the Arab League.

The Qataris have since taken a **leading role on Syria** from the outset. Qatari Prime Minister and Foreign Minister Sheikh Hamad bin Jassim Al Thani (HbJ) chairs the Arab League's Ministerial Committee on Syria and has pushed forward action within the GCC and Arab League. The Qataris have also been active in working with the Syrian opposition groups. Qatar remains concerned at the growing humanitarian crisis.

Qatar has been very helpful in the **Horn of Africa**, trying to resolve problems between Eritrea and Djibouti, and was pivotal in resolving a UK consular matter in the region. Qatar was represented at the London Somalia Conference by HbJ. Qatar is an active member of the Core Group and believes in the need for a development programme to provide services and stabilisation in local areas of stability.

On **Afghanistan**, Qatar has agreed to host a Taliban Political Commission Office in Doha to which will facilitate negotiations between the Afghan Government and the authorised representatives of the Taliban.

UK-Qatar Bilateral Relations

Bilateral relations between the UK and Qatar are strong, covering a wide range of fields including trade and investment, energy, foreign policy, culture, sport, education and training. Over 15,000 British nationals live in Qatar and around 40,000 British tourists visit Qatar each year. Many Qataris are educated in the UK, visit regularly for business and leisure, and own property and other investments here.

The most prominent, bilateral engagement to date was the Emir of Qatar's State Visit to the United Kingdom on 26-28 October 2010. The Prime Minister accompanied by Lord Green and a business delegation visited Doha in February 2011, the first PM to visit since Gordon Brown in 2008. HRH The Duke of York is a regular visitor to Qatar, most recently in November 2012.

The UK is a valued partner to Qatar for training and expertise. The British Council supports the Ministry of Education to improve English language teaching in state schools and is working on joint project with Qatari partners in the Arts, Education, English Language and Science. British police provide training to their Qatari counterparts and the UK is also a highly valued provider of military training. Financial services, legal, civil engineering and consultancy expertise is in high demand.

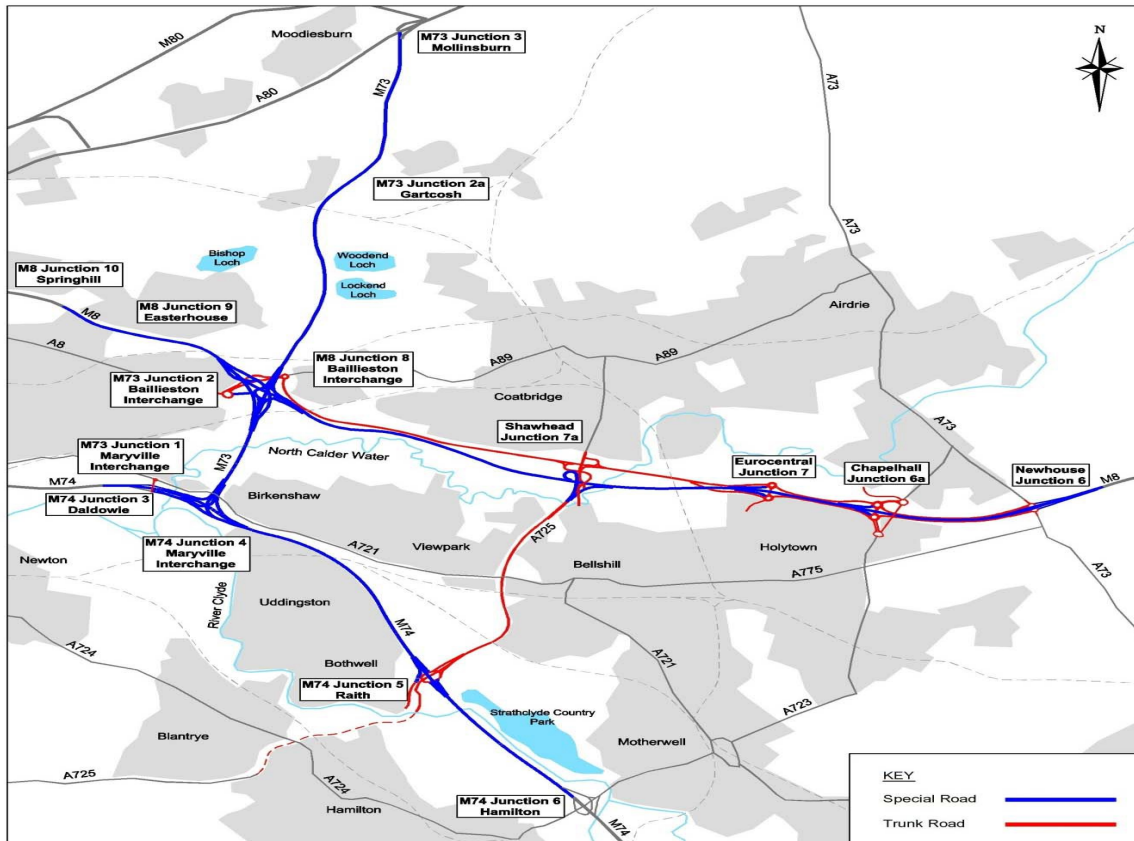
The Gulf Initiative

Her Majesty's Government is committed to elevating its relations with all its partners across the Gulf, given the region's increasing economic and political significance for UK interests. The State Visit was a great opportunity to further develop and strengthen the bilateral relationship, to the benefit of both the UK and Qatar. The UK Government continues to use the Gulf Initiative to formalise the existing strong links to Qatar, including securing long-term gas supplies.

This has so far been successful, reversing Qatar's previous perception of UK neglect in bilateral relationship, with the Emir saying he could "not remember the relationship with the UK being in better shape". Visible strong senior level engagement across the board, delivering both face-to-face time and increased telephone contact is paying dividends.

Investment Opportunity in Scotland

M8 M73 M74 Motorway Improvements



Project Description

- o Transport Scotland are procuring a road management and maintenance project which includes upgrading the A8 between Baillieston and Newhouse to motorway standard, improvements to the M74 Junction 5 Raith and widening of key sections of the M73 and M74.
- o The project will be procured under SG NPD principles.
- o The project is of key strategic importance, as it completes a key missing link within the motorway network of Central Scotland.
- o The project will also include a thirty year maintenance and operations contract to maintain this road network.
- o The cost estimate is £415m at 2011 prices.
- o The project commenced procurement in Spring 2012 and is currently (September 2012) in dialogue with 4 Participants, de-

selection to two being due in December 2012.

- o Financial close is programmed for October 2013, with construction expected to be complete by April 2017.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership (PPP) programmes per capita in Europe, and includes roads, education and health projects. The road will be designed, constructed, financed and maintained for a 30 -year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract, and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an asset condition and availability payment from the public sector.
- o The capital cost of the project is approximately £415m in 2011 prices. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.
- o The project is currently in procurement and is expected to reach financial close in October 2013, when financing will be required.

- o [redacted]

For more information contact:

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Investment Opportunity in Scotland

Aberdeen Western Peripheral Road



Project Description

- o The Aberdeen Western Peripheral Route is a new 46km dual carriageway proposed jointly by Transport Scotland, Aberdeen City Council and Aberdeenshire Council.
- o The project is of key strategic importance to Scotland in improving links to and around Aberdeen for business, tourism and the local population; cutting congestion and improving safety.
- o The Aberdeen Western Peripheral Route project consists of three sections namely; Northern Leg (North Kingswells to Blackdog), Southern Leg (Charleston to North Kingswells) and Fastlink (Stonehaven to Cleanhill). The Scottish Government has also confirmed that the 9km A90 Balmedie to Tippetty dualling project, which is located north of Aberdeen, will be procured alongside the Aberdeen Western Peripheral Route.
- o Subject to completing the necessary statutory procedures it had been hoped to start construction in 2011. However, the legal challenges and subsequent appeals submitted against the

project have introduced a delay to the delivery of the project. Assuming a successful outcome in defending the current appeal, the procurement is expected to commence early in 2013.

- o The expected capital cost is up to £450m in 2011 prices including the A90 Balmedie to Tippetty section of the project.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership (PPP) programmes per capita in Europe and includes roads, education and health projects. The road will be designed, constructed, financed and maintained for a 30 year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an condition and availability payment from the public sector.
- o The capital cost of the project is up to £450m in 2011 prices. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.
- o The project is expected to commence procurement early in 2013.

o [redacted]

For more information contact:

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Investment Opportunity in Scotland

Kilmarnock College New Campus NPD Project



Project Description

- o This project will see the provision of a new-build campus for Kilmarnock College, a major further education college in the Ayrshire region.
- o The new campus will be located on the site of the former Diageo bottling plant which has recently been decommissioned. The new campus will be located within the Kilmarnock Town Centre and is being seen as a catalyst for development and regeneration in the area.
- o The capital cost of the project is approximately £50m (including VAT).
- o The project is currently in procurement, with the appointment of a preferred bidder expected by June 2013.
- o The project is forecast to reach financial close in September 2013. Financing will be required at this point.
- o The target opening date for the new campus is January 2016.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership (PPP) programmes per capita in Europe and includes roads,

education and health projects. The College will be designed, constructed, financed and maintained for a 25-year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an availability payment from the public sector.

- o The capital cost of the project is approximately £50m. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.
- o The project is currently in procurement and is likely to reach financial close, when financing is required, in 3Q 2013.

o [redacted]

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Investment Opportunity in Scotland

**Dumfries and Galloway Royal Infirmary
NPD Project**



Project Description

- o NHS Dumfries and Galloway Health Board is progressing a project for the redevelopment of the Royal Infirmary in Dumfries in South West Scotland.
- o The hospital replaces the existing premises and will be located on a new site in the Dumfries area.
- o The types of services to be provided include: Emergency Care; Ambulatory Care; In Patient Services; Paediatric Services; and, Clinical Services.
- o The new facility has an estimated capital cost of £200 million.
- o The project is currently preparing its business case for approval in spring 2013 and will move into the procurement phase later next year.
- o Financial close, when financing is required, is currently planned for the end of 2014
- o The facility is targeted to be operational during 2017.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership

(PPP) programmes per capita in Europe and includes roads, education and health projects. The hospital will be designed, constructed, financed and maintained for a 25-year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an availability payment from the public sector.

- o The capital cost of the project is approximately £200m. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.

o [redacted]

For more information contact:

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Investment Opportunity in Scotland

Acute Mental Health and North Ayrshire Community Hospital NPD Project



Project Description

- o The NHS Ayrshire and Arran Health Board is progressing a project for the provision of a new Acute Mental Health facility and Community Hospital in the West of Scotland.
- o The project will support the Board in modernising its healthcare services and meeting the 21st century needs of the communities it serves.
- o The project comprises a new inpatient facility with 206 beds and supporting clinical service areas on an existing site to be funded through the NPD programme.
- o There will also be refurbishment works in the retained areas of the existing site, and an additional hospital site to be funded by the Board's own capital resources.
- o The new facility has an estimated cost of £45 million.
- o The project is expected to move into the procurement phase later in 2012, with a programmed date for financial close when financing is required in late 2013.
- o The target opening date for the new facility is December 2015.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership (PPP) programmes per capita in Europe and includes roads, education and health projects. The hospital will be designed, constructed, financed and maintained for a 25-year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an availability payment from the public sector.
- o The capital cost of the project is approximately £45m. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.

o [redacted]

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Investment Opportunity in Scotland

Royal Hospital for Sick Children and Department of Clinical Neuroscience NPD Project



Project Description

- o The NHS Lothian Health Board is progressing a project to provide new, fit for purpose, Children and Young People's (C&YP) Hospital in Edinburgh providing a local, regional and in some specialist areas, a national service;
- o The facility will be constructed on a new site and replaces the current service provision for C&YP from existing inadequate and unsustainable premises. The new facility will be adjacent to the current Royal Infirmary in Edinburgh.
- o The project comprises a 175 bed facility and includes: In – Patient and Ambulatory Care Services; Children and Adolescent Mental Health Services; and Primary Care and Community Services.
- o The new facility has an estimated cost of £150 million.
- o The project is expected to move into the procurement phase in November 2012, with a programmed date for financial close when financing will be required in June 2014.

- o The target opening date for the new facility is June 2017.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership (PPP) programmes per capita in Europe and includes roads, education and health projects. The hospital will be designed, constructed, financed and maintained for a 25-year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an availability payment from the public sector.
- o The capital cost of the project is approximately £150m. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.

- o [redacted]

For more information contact:

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Investment Opportunity in Scotland

**Scottish National Blood Transfusion Service
(SNBTS) NPD Project**



Project Description

- o NHS National Services Scotland's (NSS) along with SNBTS are progressing a project for the provision of a state of the art National Centre for processing and testing blood, tissues and cells for patients.
- o The project will see the consolidation of three existing blood, tissue and cell manufacturing facilities in Edinburgh and Glasgow, plus associated functions from locations across Scotland, into a new National Centre at Heriot-Watt Research Park in Edinburgh.
- o The new facility will require to have the capacity and flexibility to cope with increased demand in blood, tissues and cellular therapies. It will also need to meet stringent regulatory standards and maintain necessary licences.
- o The project is expected to move into the procurement phase later in 2012, with a planned date for financial close when financing is required in August 2014.
- o The target opening date for the new facility is March 2017.

NPD Programme

- o This project is part of the Scottish Government's Non-Profit Distributing (NPD) programme of privately financed infrastructure projects. This is one of the largest public private partnership (PPP) programmes per capita in Europe and includes roads,

education and health projects. The New Centre will be designed, constructed, financed and maintained for a 25-year period by a private sector contractor selected following open competition. The contractor will establish a special purpose vehicle (SPV) to deliver the contract and an opportunity could be available to invest senior debt in that entity under a project finance structure, against an availability payment from the public sector.

- o The capital cost of the project is approximately £37m. A typical financing at 85-90% gearing would see roughly an equivalent value of senior funding required given interest roll-up.

o [redacted]

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AIR LINK BETWEEN SCOTLAND AND QATAR

Line to Take

- The First Minister and the Emir of Qatar have a shared desire to improve business, cultural and other links between Qatar and Scotland. As part of that ambition the Scottish Government believe that the establishment of a direct air

link between Doha and Scotland would be make an enormous contribution towards advancing / progressing our objective.

- Scotland is a high quality aviation market with a record of establishing successful intercontinental routes.
- The Scottish Government believes that there is considerable commercial potential for the establishment of a direct air route between Scotland and the Emirate of Qatar. There is demonstrated market demand and the Scottish Government's analysis, which has been shared with Qatar Airways, shows a mid-point forecast of some 120,000 passengers per annum. This takes account of point to point traffic and connecting traffic through Qatar Airlines existing route network.
- There are no bilateral restrictions which would prevent the establishment of such a route and there is ample and unrestricted airport capacity and adequate runway length at Scotland's main airports to support such a service.
- The Scottish Government has a distinguished and proven track record in supporting new international air links and have put together an attractive incentive package, in parallel with Edinburgh Airport's package, which is now with Qatar Airways.
- When intercontinental air services have been established from Scotland they have consistently out-performed initial estimates with high load factors including for business class.

Background

1. Qatar Airways ambition is to serve every major destination in the world and the airline is at the stage of starting to plan for 2014. Qatar's Acting Chief Planning Officer, Richard Roberts, has indicated that a direct service between Doha and Edinburgh is definitely in the mix – as we knew. It is in the top dozen potential new destinations and the airline had asked the Edinburgh CEO, Gordon Dewar, to put a package together that would get them near the top.
2. Scottish Government Ministers are fully supportive of a new direct service which enhances Scotland's connectivity and brings direct economic benefits to Scotland and have agreed to offer support, in conjunction with the Edinburgh Airport offer, for the start-up of a direct route. The main focus of any support from SG and its agencies (Team Scotland) would be on marketing – and this is what Qatar is looking for.
3. Their planning is focussed on a spring 2014 start. While the Boeing 787 is a perfect fit for the Scottish market their decision will be based on the case for serving the market – in other words even if there are further delays in 787 deliveries they would look to utilising their current aircraft fleet and specifically the A330 which has a slightly higher capacity than the 787.

4. [redacted].
5. Mr Roberts will now put recommendations to the Qatar CEO – Mr Al Bakr – sometime this month. From previous engagement with Mr Al Bakr we believe that he will be supportive.
6. A decision could be taken as early as later this month or early June.

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15 May 2013

Research Strengths in Scotland Lines

Research is vital as it supports Scotland's economic development, enriches our cultural lives, informs decision making and helps us to understand the world around us.

The Government Economic Strategy identified Universities as a key growth sector for the Scottish economy. The other key sectors are Life Sciences, Creative Industries, Energy, Food & Drink, Finance and Tourism.

Key actions that the Scottish Government is engaging in include investing in our universities to ensure they remain internationally competitive and truly excellent in world terms while developing partnerships with business to exploit their research, thus securing greater economic and societal benefits and maintaining Scotland's world leading position in university research and maximising its contribution to increasing sustainable economic growth.

National priorities. Currently, the research activity in Scotland is sufficiently flexible to allow it to deliver on national priorities (eg renewable energy, low carbon, life sciences, digital technology) and readily adapt to address future requirements.

Scotland has one of the strongest university research bases in the world; it produces 1.2 per cent of all new knowledge and is second in the world in terms of impact of its research.

The Scottish Government-commissioned review of the *International Comparative Performance of Scotland's Research Base* published in 2009 indicated that Scotland, with 0.1% of the world's population, was attributed with 1.8% of citations of its research outputs. This is essentially a measure of the quality of Scotland's research and the way it is viewed by other scientists around the globe.

We seek to deliver a collaborative research base that remains highly competitive internationally; nurtures, attracts and supports world-class international researchers in Scotland; and attracts high levels of project support from research councils, charities, business and the public sector.

We have developed the concept of "research pooling" to encourage greater collaboration between networks of researchers across universities. Research pooling has helped to create a new and distinctive research landscape across Scotland's universities. By concentrating investment on networks of excellence with our partners, we have created powerful, well resourced communities that are now attracting research talent from across the world.

We support universities' research infrastructure (e.g. academic staff, laboratories, capital equipment) through a stable stream of funding based on quality.

For such a small nation of 5 million people, Scotland's Universities are amongst the top performers in World, we have 4 in the top 200.

We perform well within the EU with our research institutes and businesses attracting close to 1.5% of the total EU for the Framework 7 programme funds. (source: BIS Oct 2012)

Since 2007, Scotland has attracted €437 million in total funding from Framework Programme 7. Of this total, universities and research institutes have secured €362 million equating to 9.6% of the UK share. (source: BIS Oct 2012)

Scottish institutions in 2010-11 also attracted research funding of over £300m from charities, business and other sources of UK and Scotland public sector funding. (source: Higher Education Statistics Agency).

Numerous reports confirm that Scotland is one of the best places in the world to do science. Our research base has the potential to offer our young people a very rewarding career, carrying out high quality work that has a global impact.

A report compiled in 2009 confirms that Scotland's research is cited by other researchers around the world more often than any other country, in comparison to its Gross Domestic Product (GDP).

The report, compiled by Evidence Ltd, provides information on the performance of Scotland's research base relative to that of the 26 comparator countries which are responsible for around 95 per cent of the world's top research. The data analysed are largely for the 10 year period up to and including 2008.

- 1st - in terms of citations relative to Gross Domestic Product (GDP)
- 2nd - in terms of the impact of Scotland's research, as measured by citations per paper

Scotland excels in agricultural sciences, pharmacology/toxicology, space sciences, and plant and animal sciences - all more than 50% above the world average in terms of relative citation impact.

We are considered to be 'strong' in areas of clinical research, biological science, mathematics, physical science, medicine, engineering and social sciences.

Collaborations are increasing globally and have done so steeply for Scotland which realises significant benefits in EU partnerships. Co-authorship with Germany, France, China and India is rising although the USA remains the most popular accounting for more than 31% of all collaborations.

The recently announced proposal for a world class Fraunhofer Research Centre in Glasgow, with the capacity to employ 80 staff, is further evidence of our University research base ability to attract the top organisations to Scotland. Indeed the news was one of a number of initiatives announced by Strathclyde University this past year, including:

- Its selection as the exclusive European partner for South Korea's global research and commercialisation programme.
- In February 2012, Business Secretary Vince Cable announced the University would play a key role in the UK's Catapult Centre for Offshore Renewable Energy – a collaborative hub for energy research and development.

- Strathclyde is already a partner in the UK's Catapult Centre for High Value Manufacturing.
- Elsewhere, we will shortly be announcing our plans for the first phase of Innovation Centres, that will bring together industry, academia and communities across a range of key and high growth sectors.
- We will also announce the next steps in our development of a Single Knowledge Exchange Office as the one point of contact for companies wishing to do R&D business with our Universities.
- Our Life Science sector is considered to be amongst the best in the World.
- Scotland has state-of-the art life sciences and clinical research facilities and a wide variety of office and laboratory accommodation to meet the needs of most life science businesses. Such as the Edinburgh BioQuarter site.
- 2011, the Scottish life sciences sector provided employment for around 32,000 people in 640 companies and organisations. Turnover in 2009 was estimated at £3 billion, with GVA at over £1.3 billion (Source: SE Source Book 2012).
- By 2020 the sector hope to increase this to £6 billion with a GVA of over £3 billion.

Areas of research strengths.

- Clinical – STRONG
- Health and medically-related – STRONG
- Biological sciences – STRONG
- Environment - For UoA17 Earth Systems and Environmental Sciences Edinburgh is the strength. UoA 32 Geography and Environmental Studies Dundee, St Andrews in top 30%.
- Mathematics - Pure STRONG; Applied STRONG; Statistics (limited strength).
- Physical Sciences - STRONG (not Metallurgy and Materials).
- Engineering- STRONG (not Mechanical, Aeronautical Manufacturing Engineering).
- Social science - STRONG in different disciplines Edinburgh consistent high performance. Aberdeen, Glasgow, Dundee, Strathclyde and Stirling (Sport UoA46).

Provided by:
 William Wilson
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KEY DATA ON THE SCOTTISH ECONOMY

GVA	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
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Growth	Scot	UK	Scot	UK	Scot	UK	Scot	UK	Scot	UK	Scot	UK
(Q-on-Q) %	0.3	0.6	0.5	-0.1	-0.3	-0.1	-0.1	-0.4	0.3	0.9	0.5	-0.3

Output

- Scottish GDP at basic prices rose by 0.5% during Q4 2012 (UK fell 0.3%). The Scottish production sector grew by 1.1%, in part due to a bounceback in Electricity and Gas Supply (8.8% increase). The service sector expanded 0.3% and construction sector grew by 0.6%.
- Over 2012 as a whole, output rose 0.3% in Scotland (0.3% rise in UK).
- On a comparable GVA basis, Scotland had a smaller peak to trough adjustment in output than the UK over the Great Recession (a fall of 5.5% in Scotland compared to 6.3% in the UK). Both had 2008/09 recessions that lasted 5 quarters. As at Q4 2012, Scottish output remains 2.3% below its pre-recession peak (UK 2.9% below).
- The preliminary estimate for Q1 2013 indicated that UK GDP increased by 0.3%. Services grew 0.6% and construction fell 2.5%. Output in production industries increased by 0.2%, largely as a result of a recovery in mining and quarrying (+3.2%) after the fall last quarter.
- The volume of Retail Sales in Scotland grew 0.3% over Q1 2013 (GB grew 0.5%) and 2.0% over the year to Q1 2013 (GB grew 1.3%).
- Scottish International Manufactured Export volumes fell by 1.4% during Q4 2012 (down 2.9% annually on a 4Q-by-4Q basis).

Latest Business Surveys

- Business surveys generally report a slightly more positive outlook for 2013.
- The CBI Industrial Trends Survey for Q1 2013 indicated that the volume of new orders in the manufacturing sector continued to fall, however export orders were reported to have grown marginally and firms expect volumes of orders will increase in the next 3 months [23 April].
- The BoS Barometer for March reported the 29th consecutive monthly improvement in Scottish labour market conditions (53.0). This was above UK growth (52.3) [22 April].
- The Bank of Scotland PMI indicates that the Scottish private sector continued to grow during March (51.1). This was the sixth consecutive monthly expansion [15 April].
- The Scottish Chambers of Commerce survey for Q1 2013 reported continued fragility in the Scottish economy however the manufacturing sector reported an increase in activity and optimism [11 April].
- The Lloyds TSB Business Monitor indicated a marginal improvement in the Scottish economy in Q1 2013 [4 April].
- The Scottish Engineering Quarterly Review for Q1 2013 reported that order intake and output turned negative. However, a positive balance of firms remained optimistic for Q2. [1 March].

	Scotland	UK
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Forecasts (Annual GDP)		2013	2014	2013	2014
Sco	Fraser of Allander Institute (March 2013)	0.9	1.7	-	
	Scottish ITEM Club (November 2012)	0.7	1.8	1.2	2.4
UK	OBR (March 2013)	-	-	0.6	1.8
	European Commission (February 2013)	-	-	0.9	1.9
	IMF (April 2013)	-	-	0.7	1.5
	OECD (November 2012)	-	-	0.9	1.6
	Average UK Independent Forecast (April 2013)	-	-	0.8	1.6

Labour Market

Over the three month period Dec-Feb 2013:

- The level of total *employment* in Scotland among those aged 16+ increased by 39,000. The headline employment rate, which refers to the population aged 16-64, rose by 1.0 percentage points to 71.7%. The UK headline employment rate (16-64) remained unchanged at 71.4%.
- ILO *unemployment*¹ (16+) in Scotland fell by 11,000. The unemployment rate decreased by 0.5 percentage points to 7.3%. The UK unemployment rate rose by 0.2 percentage points to 7.9%.
- The rate of economic *inactivity* (16-64) in Scotland (those who are neither in employment or ILO unemployed) decreased by 0.7 percentage points to 22.6% (compared to the UK rate of 22.2%).

Over the year to Dec-Feb 2013:

- The total *employment* level (16+) in Scotland rose by 20,000, whilst the employment rate (16-64) rose by 0.3 percentage points. The employment rate in the UK increased by 0.9 percentage points.
- Scottish *unemployment* fell by 21,000, whilst UK unemployment decreased by 71,000.
- Economic *inactivity* increased by 10,000 in Scotland compared to a decrease of 285,000 in the UK.

Over the month of March 2013:

- The *claimant count*² in Scotland fell by 600 to 136,600, with the rate unchanged at 4.9%. The UK claimant count level decreased by 7,000 and the rate also remained unchanged.

Headline Statistics (16-64/16+) - Dec-Feb 2013

	Rate	Change on Previous 3 Months(% pt)	Change on Year (% pt)
Scotland			
Employment ^A	71.7%	1.0	0.3
ILO Unemployment ^B	7.3%	-0.5	-0.8
Economic Inactivity ^A	22.6%	-0.7	0.3
UK			
Employment ^A	71.4%	0.0	0.9
ILO Unemployment ^B	7.9%	0.2	-0.3
Economic Inactivity ^A	22.2%	-0.2	-0.7

Headline Statistics (16-64/16+) – Dec-Feb 2013

	Level	Change on Previous 3 Months	Change on Year
Scotland			
Total Employment ^C	2,507,000	39,000	20,000
ILO Unemployment ^C	197,000	-11,000	-21,000
Economic Inactivity ^D	766,000	-24,000	10,000
UK			
Total Employment ^C	29,698,000	-2,000	488,000
ILO Unemployment ^C	2,563,000	70,000	-71,000
Economic Inactivity ^D	8,950,000	-57,000	-285,000

Claimant Count Statistics – March 2013

Claimant Count	Rate ^E	Change on the previous month (%pt)	Change on year (% pt)
Scotland			

Claimant Count Statistics - March 2013

Claimant Count	Level	Change on the previous month	Change on year
Scotland	136,600	-600	-6,700
UK	1,521,000	-7,000	-7,000

Source: Labour Force Survey, A. Denominator is all persons aged 16-64, B. Denominator is total economically active, C. All persons aged 16+, D. All persons aged 16-64

Source: Jobcentre Plus. E. Denominator is claimant count + workforce jobs.

Scottish Unemployment Forecasts				
Unemployment Rate (%)		2012	2013	2014
ITEM Club (December 2012)	CC	5.1%	5.2%	4.9%
Fraser of Allander (March 2013)	ILO	7.8%	8.3%	8.6%
	CC	5.0%	5.2%	5.3%

Youth unemployment (16-24 year olds):

- The *youth unemployment* rate, based on non-seasonally adjusted data for Dec-Feb, was 16.1% in Scotland and 20.6% in the UK.³ In Scotland, the rate fell by 6.8 percentage points over the year.

GLASGOW 2014 COMMONWEALTH GAMES

³ These rates refer to the Labour Force Survey data, updated on a monthly basis. However, the preferred data source for youth labour market figures is the Annual Population Survey, published quarterly.

Top line:

Glasgow 2014 will be the largest multi-sport event ever held in Scotland. Along with our goal of delivering a successful, safe and spectacular Games for everyone, we have a key ambition around leaving a lasting legacy for Scotland.

LEGACY

KEY POINTS:

- Within 100 days of winning the bid in November 2007, the Scottish Government went out to consult the people of Scotland about what they wanted to see as a legacy from the Games.
- The findings from that helped inform the Legacy Plan published in 2009 which was shaped around our 4 national themes of creating an Active Scotland, a Flourishing Scotland and a Sustainable and Connected Scotland.
- Last year we took stock. We developed the new legacy brand, which is part of the Glasgow 2014 brand family. We identified our priorities for the year ahead and, along with partners, we agreed the legacy outcomes that we are aiming to achieve over the long-term.
- The Co-ordination Commission for the Commonwealth Games endorsed our legacy plans as “a blueprint for future Games” at their visit in October 2012.

1. Over three years since launching games legacy plan, we continue to see many individuals, groups and businesses across Scotland benefit from the Games

- Scottish companies have won **363** of the **485** contracts awarded through the Glasgow Business Portal.
- Over **400** Employer Recruitment Incentives awarded to support our Young People back in to Employment.
- **152** Community Sports Hubs in development across **30** LAs (109 operational).
- **24** projects awarded £1.2 million to improve sport and PA facilities locally in the first phase of the £10 million Legacy 2014 Get Active Fund.
- **120** Youth Legacy Ambassadors recruited across **31** LAs.

2. We have developed a robust games legacy evaluation framework to measure impact up to 2019 - first baseline report published in October 2012.

Research on previous major events suggests hosting them can create a legacy - but that doesn't happen by chance. Legacies need to be well-planned and well executed, linked to, and embedded in, existing strategies and policies. That reinforces everything we're already doing to maximise the benefits and legacy from these Games.

3. On 22 April, UNICEF were announced the official Charitable Partner of the 2014 Commonwealth Games.

This ground-breaking partnership has the potential to improve the lives of every child in Scotland and children in every country in the Commonwealth and sets a truly inspiring example for future major events to follow. As part of a legacy cycle that starts in Glasgow with the hope of continuing beyond to Gold Coast 2018, UNICEF

believe they can generate more than £30m for their programmes by the end of the Games.

4. Working in partnership with Games Partners and Local Government

Partnership working is key to our continued success. The SG continues to work closely with Games Partners (Glasgow City Council and the Glasgow 2014 Organising Committee) and our national delivery partners, to ensure legacy programmes are aligned and deliver on our joint outcomes. Within each Local Authority, legacy leads have been appointed at a senior and strategic level.

SUSTAINABILITY

Amongst many of the ways we are making the Games sustainable are:

- The first distributed district heating network in Scotland for the newly built Athletes' Village, along with a purpose built energy centre, which means that the new homes will be provided with energy in a 40% more efficient way. It is hoped this can be extended to the new Emirates Arena and Velodrome nearby.
- Transport improvement includes focus on sustainable transport methods to encourage minimal use of car travel to Games venues during the Games. This includes improvements to rail facilities and a £40 million investment from the Scottish Government in core funding for a Fastlink Bus Rapid Transport Route to the SECC. Transport Scotland and Glasgow City Council have developed walking and cycling corridors to provide active travel routes to the Games facilities in the East End.
- The Glasgow 2014 Organising Committee has made sustainability a key part of their procurement policy. This includes encouraging zero waste policies by suppliers, favouring packaging that can be reused, recycled or recovered and encouraging the use of sustainable transport for delivering goods.

ACCESSIBILITY

The International Paralympic Committee has said that they believe Glasgow 2014 will be the best Commonwealth Games yet, and that the city of Glasgow is moving forward in improvements in accessibility and transport for people with disabilities. Much work is being done by the Organising Committee to ensure the Games are accessible to everyone. This includes:

- Working with representative charities and organisations through the OC's Accessibility Reference Group.
- Integrating accessibility reviews into venue planning, including overlay and accessible seating capacity reviews as well as accessible parking, transport and security services.
- Working with Visit Scotland and key partners to ensure a seamless accessible Games journey and with hotels in Glasgow to map current accessibility levels at local hotels.
- Providing disability equality, disability awareness and cultural awareness training for pre-Games volunteers (Frontrunners).

- Development of draft ticketing policies for disabled people (and people with impairments) with advice from organisations representing disabled people and looking at ways to capture accessibility requirements for tickets, beyond wheelchair spaces.

Business opportunities and Major Event Experience.

- Over 75% of the Games contracts for the 2014 Games have been secured by Scottish Companies. This in turn ensuring our companies have developed a wealth of experience in constructing the infrastructure and delivering the service contracts required for delivering major events.
- Securing Games contracts provides a fantastic opportunity for Scotland's businesses to showcase their credentials on a world stage. There are huge opportunities for Scottish business to successfully tender for contracts in future host cities such as Rio, Sochi and Doha to name a few.
- Glasgow 2014 OC will explore how the international sector of the Queen's Baton Relay can be a platform for accelerating the internationalisation and growth of Scottish businesses. Scottish Government and Scottish Enterprise are also liaising with SDI with regard to promoting Global Games business opportunities to Scottish businesses through its Smart Exporter programme, including those at the 2022 World Cup in Doha.

Games Venues and Village

- The Games are helping put Scotland on the map as Global Major Events Destination. Indeed, Glasgow City Council and EventScotland have already announced a substantial international competition and major sporting events programme being held in many of the newly built/ refreshed venues such as the Emirates Arena, Sir Chris Hoy Velodrome and Royal Commonwealth Pool
- Sustainable Design of Games Venues and Village 70% of the Games venues were in place when Scotland won the right to host the Games. Recycling existing venues removes the risk of stadia becoming 'white elephants'. The Games are unusual in that many of the state-of-the-art sports facilities are open and available for the local community to enjoy at affordable prices prior to the arrival of the Games.
- In constructing the venues and village, the highest principles of environmental responsibility in design, services and materials are being utilised. New or improved technological methods and materials are being used in the construction of the Games Village and venues to provide practical exemplars for future developments which could be passed on to future Games hosts.
- For Example The Athletes Village has high design and environmental standards and will deliver a significant reduction in carbon emissions from the new homes. The site will host Glasgow's first district heating network. The combined heat and power (CHP) source at the Village will be powered by

using low carbon fuels and will also be the heat source for the Commonwealth Arena and Sir Chris Hoy Velodrome.

MINISTERIAL CORE NARRATIVE, LEVEL 1 – 10 May 2013

REFERENDUM

The referendum will be held on 18 September 2014. The timetable allows for proper public and parliamentary consideration of the proposals for the referendum on independence so that the people of Scotland can make a fully informed choice about the future of the country.

Edinburgh Agreement signed, paving way for s.30 Order	15 October 2012
Publication of consultation analysis	23 October 2012
Finalisation of Referendum Bill and development of implementation plan	Late 2012/early 2013
Privy Council made s.30 Order	12 Feb 2013
Introduction of Scottish Independence Referendum (Franchise) Bill	11 March 2013
Introduction of Scottish Independence Referendum Bill to Scottish Parliament	21 March 2013
Parliamentary consideration of the Referendum Bill: Stages 1 and 2 (including committee consideration and public evidence sessions)	Early to mid 2013
Franchise Bill passed after Stage 3	Before Summer Recess 2013
Referendum Bill passed after Stage 3	November 2013
Royal Assent to the Referendum Bill	December 2013
Publication of White Paper on Independence	Autumn 2013
Start of regulated period	29 May 2014
Pre-referendum period (no Government publications etc)	21 August 2014
Referendum	18 September 2014
Independence Day	March 2016
Scottish Parliamentary Elections – first expected election to Parliament of an independent Scotland	May 2016

The Edinburgh Agreement, signed on 15 October 2012, set the framework for the referendum and confirmed that it would be made in Scotland. Following the Agreement a Section 30 Order was approved by the Scottish and UK Parliaments and made by the Privy Council in February 2013.

The Scottish Independence Referendum (Franchise) Bill was introduced in Parliament and published on 11 March 2013, which will enable people aged 16 and 17 to vote in the referendum. The Scottish Independence Referendum Bill was introduced in Parliament and published on 21 March 2013.

The main objective is for the referendum to be a fair, open and truly democratic process which is conducted and regulated to the highest international standards, which commands the confidence of the public and of both sides of the debate. The Referendum Bill provides detailed proposals to ensure this objective is achieved.

The referendum will cost around £13.3m, which includes £8.6m for the running of the referendum and £4.7m for the role of the Electoral Commission (including the public awareness campaign and question testing) and costs incurred under the s.30 Order to allow the two campaign organisations to issue a mailshot to all voters.

There will be no other public funding for campaign organisations

We expect that by independence day in March 2016, a constitutional platform will be in place. The leading part of the constitutional platform should be made in Scotland by the passage of legislation by the Scottish Parliament. The legislation will provide for the transfer of sovereignty from Westminster to Holyrood. The constitutional platform will provide the basis upon which the Government elected in May 2016 can take Scotland forward.

The Deputy First Minister has set out Scottish Ministers intention to show, through a series of papers, speeches and events in 2013, the Government's view on why independence is the right road for Scotland and our economy and how the vision of a more prosperous, fairer Scotland could be achieved. The first of these papers, Scotland's Future: from the Referendum to Independence and a Written Constitution, was published on Tuesday 5th Feb and describes Scotland's transition to an independent country following a 'Yes' vote and the process by which an independent Scotland could develop a written constitution. On 28 February 2013, the Scottish Government published 'Economic and Competition Regulation in an Independent Scotland', which outlines options for a combined economic and competition regulator for Scotland that takes account of Scotland's size and circumstances.

INDEPENDENCE

Why Independence? It is fundamentally better for all of us if decisions about Scotland's future are taken by the people who care most about Scotland: that is, the people of Scotland. We have the greatest stake in making Scotland a success – no one else will do as good a job.

The purpose of independence is to make Scotland more successful and to improve the lives of people who live in Scotland. The key difference would be that all decisions for Scotland would be taken by a Scottish Parliament and a Scottish Government, and in Scotland's interests.

Independence would mean strong, new relationships:

- between Scotland and the rest of the UK - a partnership of equals - a social union to replace the current political union. The Queen would continue to be Head of State.
- with other EU members. An independent Scotland would be in the EU. So there would continue to be open borders, shared rights, free trade and extensive cooperation.

Ministers will bring forward detailed proposals for an independent Scotland during the course of the debate.

Scotland is already a prosperous nation. Even without oil and gas, and when measured in terms of GDP per head, Scotland is the third most successful part of the UK outside London and the South East. And when oil and gas resources are added, Scotland would be ranked eighth in the OECD league table of developed nations in terms of GDP per head above the UK, which is currently ranked . sixteenth.

GERS (Government Expenditure & Revenue Scotland) shows that Scotland ran a current budget surplus in three of the last seven years to 2011/12 (2005/06, 2006/07 and 2008/09). The UK last ran a current budget surplus in 2001/02. In 2011/12, Scotland contributed 9.9% to UK public sector revenue and received 9.3% of UK public sector expenditure.

Oil and Gas UK estimates that there are up to 24 billion barrels remaining in the North Sea . SG estimates suggest that these reserves have a potential wholesale value of up to £1.5 trillion. This means that, by value, over half of North Sea reserves have still to be extracted.

The recent economic crisis has exposed the failings of the current constitutional settlement. The Scottish Government was limited in its ability to respond to the recession as many of the key job creating powers are reserved to Westminster. With a full set of economic levers, more could be done to deliver economic growth.

Scotland would retain Sterling and the evidence suggests that the proposed Sterling Zone is an optimal currency area. The Fiscal Commission Working Group report (11th Feb) sets out that a formal monetary union would be in the interest of both Scotland and the rest of the UK. A

monetary union would provide underlying macroeconomic stability which would enable the SG to use fiscal policy to deliver faster sustainable economic growth. Scotland would not be forced to join the Euro. To join the Euro new members must comply with the pre-conditions for Eurozone entry. On April 23rd, the Scottish Government published its response to the Working Group's proposal, agreeing that it makes sense to retain Sterling, in a currency union with the rest of the UK and setting out clearly how such an arrangement would be in both countries interests. A formal currency union would provide a workable currency from day one of independence. It will ensure that both future Scottish and UK Governments are able to use the economic levers of independence to secure growth for their respective countries – something which cannot happen under the status quo.

On independence, welfare benefits would continue to be paid as they are under the current devolution settlement. On the basis of both revenue and share of GDP, Scotland is better able to afford the current levels of social protection than the rest of the UK. [redacted]

An independent Scotland would issue its own passports. It would offer shared or dual citizenship. There would be free movement across the border between Scotland and England.

In defence and security, independence would enable Scotland:

- to play a full role in addressing global issues and threats and to consider contributing to peace building.
- to make its own decisions regarding defence spend and defence priorities.

The people of Scotland will have the chance to decide policy direction in the May 2016 election for the independent Scottish Parliament. One of the first tasks of that Parliament should be to establish the process for Scotland's first written constitution, through a constitutional convention. This constitution would enshrine the people's sovereignty and affirm the values and rights of the people of Scotland. The Scottish Government will be just one of many voices which will contribute to the debate.

CLIMATE JUSTICE

Scotland is strengthening support for developing countries on climate change and energy:

- Scottish Ministers are championing climate justice, a key issue for human rights in the 21 Century that is rising up the UN agenda. The First Minister in his address to the Party School of the Central Committee of the Communist Party in Beijing on 6 December 2011 said: "Climate justice is what is required - linking human rights and development, putting people at the heart of our economic system, and allowing all to share the burdens and benefits of climate change and its resolution, and to do so in an equitable and fair way".
- The First Minister and Mary Robinson, former President of Ireland and former United Nations High Commissioner for Human Rights, sent a joint message to the UNFCCC meeting in Durban, South Africa, on 8 December 2011 calling for climate justice to be reflected in the outcome of the talks.
- The Scottish Parliament held the first parliamentary debate on climate justice worldwide, on 1 March 2012.
- First Minister and Mary Robinson launched innovative Climate Justice Fund on 31 May 2012 with £3m to support applications from water-related adaptation projects in Sub-Saharan Africa. 4 projects in Malawi and 1 in Zambia are being funded.
- Scotland will host an international conference on climate justice on 9 October 2013 at Dynamic Earth. Aim is to contribute to equitable global climate deal in 2015.
- Scotland's actions on climate change have been recognised internationally by former US Vice-President Al Gore, Archbishop Desmond Tutu and former Irish President Mary Robinson amongst others.
- Scotland has been invited by the UN Secretary-General Ban Ki-moon to work with the UN's Sustainable Energy for All initiative and is developing a toolkit for community renewables with the United Nations Development Programme.
- Strathclyde University has piloted community solar energy in Malawi with £1.3m support from our International Development Fund and a further £1.7m for a project to accelerate community renewables in Malawi. SG will also give secondee support to the Malawi project.
- £4m International Development Fund assistance for climate related projects in sub-Saharan Africa was announced in June 2012.
- We have had discussions with South Africa on marine energy and feasibility of a carbon capture and storage pilot.
- We have an MoU with the Inter-American Development Bank to share Scottish know-how on clean energy (e.g. working with Chile on marine energy).
- We have collaborated with the Global Carbon Capture and Storage Institute, producing a regulation toolkit.
- We funded a study on marine energy under our 2009 partnership with the Maldives.

GREEN GROWTH / LOW CARBON ECONOMY

TOP LINES: Scotland is a strong case study of the growth potential of re-industrialisation along modern lines based on the green economy and sustainability. The low carbon economy could rise to 10% of GDP and 5% of jobs by 2020. Low carbon cuts across all sectors in Scotland. Scotland's electricity from renewables in 2011 is currently estimated to have been in the region of 35%.

Value of Low Carbon Economy

1. Scotland's low carbon economy was worth £8.5bn in 2007-08 and is forecast to grow to £12bn by 2015-16, over 10% of the economy. There are currently 70,000 people employed in the low carbon economy and this could rise to 130,000 by 2020, over 5% of workforce. Offshore wind energy alone could bring an estimated £30bn of inward investment, and up to 20,000 jobs. Energy efficiency has the potential to cut £8.5bn from household energy bills by 2050, and provide thousands of jobs. There is the potential to reduce the number of fuel poor households by 150,000.

Key Policies

2. Scotland is acting as a model of international best practice in tackling climate change and is over half way to achieving its world-leading target of reducing emissions by 42% by 2020 set in the Climate Change (Scotland) Act 2009. The legislation provides certainty for business and the public about Scotland's low carbon future and drives new thinking, new solutions and new technologies, putting Scotland at the forefront of building a sustainable low carbon economy.

Scottish Ministers have formed part of the UK Delegation to the UNFCCC for a number of years now. As part of the delegation to Doha, the Minister for Environment and Climate Change undertook a number of engagements including: -

- Visit to launch of a solar test facility alongside Qatari Minister for Industry and Energy, the COP President and Deputy Prime Minister of Qatar, the Executive Secretary of the UNFCCC and the British Ambassador.
- Spoke on panels at the World Climate Summit, chaired by Al Jazeera, alongside Sr. Galan of Iberdrola and the Qatari Energy Minister, and at a Friends of the Earth event, promoting Scotland's low carbon economy.

The Scottish model demonstrates Scotland striving to be a model of good practice for international community on climate change. We have set world leading legal targets of 42% GHG emissions reduction by 2020, and we are over half way to meeting that target. Our view is that we had largest emissions reduction since 1990 (22.8%) of the EU-15 countries on emission reduction since 1990, and above the average of EU-27 (14.3%).

We are influencing internationally by promoting the jobs, investment, trade and growth potential of the low carbon economy coupled with the messages around climate justice and the moral imperative to act on climate change.

Major Investments

4. Scotland's strategy of operating at the forefront of the development of clean energy technology, regulation and finance is attracting major investment from leading international and Scottish companies:

- Scottish Renewables estimates that the renewable energy sector in Scotland has seen £2.8 billion of investment in the last 4 years.
- In August 2012, DECC published figures mapping out renewables investment and jobs across the UK; these show that £2.3 billion of new renewables projects were completed in Scotland between April 2011 and July 2012, creating over 4,600 jobs.
- These figures also show that Scotland's renewables sector has a higher level of projected investment (£9.4 billion) and jobs pipeline (3313) than any other part of the UK.
- In April 2013, we will launch our £200m a year National Retrofit Programme to tackle fuel poverty, reduce carbon emissions and support jobs. Using our £65m per annum funding, the NRP aims to lever in at least £120m from energy companies to support the programme.
- Spanish renewables manufacturer Gamesa has announced its new UK plant is to be sited at the Port of Leith: around 800 new jobs will be created at the Edinburgh plant, with investment of up to €150m.
- Korea's Samsung Heavy Industries is to base its first European offshore wind project in Fife in an inward venture worth up to £100m that is expected to create more than 500 new jobs.
- Areva intends to locate their UK turbine manufacturing site in Scotland, which has the potential to create 750 jobs from manufacturing and the supporting supply chain.
- Scottish Power's Whitelee windfarm near Glasgow was until recently the biggest onshore windfarm in Europe.
- SSE and Scottish Enterprise (SE) are to invest up to £20 million at Hunterston deepwater port to create an offshore wind turbine test centre, capable of hosting three full scale wind turbines designed for offshore deployment.
- Moray Offshore Renewables Ltd (MORL) submitted plans to Marine Scotland on 30 August 2012 for the world's largest offshore windfarm - the £4.5bn project could power a million homes.
- Clyde Windfarm, opened by FM on September 21, will deliver around £22 million in local community benefits over its lifetime. The £500m project has also contributed around £100m of contract value with companies in Scotland.
- Last year £1.1m in loans was paid out to six district heating projects through the district heating loan scheme. This year we are offering loans to 10 more projects worth £2.1m, to provide affordable heat to homes in fuel poverty, as well as leisure facilities, community centres and a school.
- Ofgem has announced the biggest upgrade of Scotland's electricity infrastructure for 60 years, with more than £7 billion of investment from Scottish Power and Scottish and Southern Energy, quadrupling Scotland's export capacity to the rest of the UK by 2018.
- The UK Green Investment Bank, capitalised with £3 billion, is to be headquartered in Edinburgh.
- The £10 million Saltire Prize is the world's largest innovation prize for marine energy.
- Scotland's universities have a co-operation agreement on clean energy research with UAE's Masdar.

Climate Justice

TOP LINE: Scottish Ministers are championing climate justice, a key issue for human rights in the 21 Century that is rising up the UN agenda.

PRESS LINE: The Scottish Government is championing and supporting climate justice, which is increasingly important as climate change is having a devastating impact on the world's poorest communities. Our innovative £3 million Climate Justice Fund is further strengthening our support for those communities and our high ambition on climate change and climate justice has not gone unnoticed. It was a great privilege to have former UN High Commissioner for Human Rights, Mary Robinson, launch the Fund with the First Minister earlier this year and Archbishop Desmond Tutu has also highlighted his support for Scotland championing this issue. (October 2012)

1. In line with its new role on the world, the Scottish Government is strengthening our support for developing countries on climate change:

- Scotland's First Minister and Mary Robinson, former UN High Commissioner on Human Rights and former President of Ireland, launched Scotland's innovative Climate Justice Fund with £3m to support applications from water-related adaptation projects in Tanzania, Rwanda, Malawi and Zambia.
- The first 5 projects under the Climate Justice Fund were announced in November 2012.
- Scotland will host an International Conference on Climate Justice on 9 October 2013
- Scotland has also been invited by the UN Secretary-General Ban Ki-moon to work with the UN's Sustainable Energy for All initiative.
- Strathclyde University has piloted community solar energy in Malawi with £1.3m support from our International Development Fund.
- We have now announced a further £1.7m for Strathclyde University to accelerate community renewables in Malawi.
- SG will also give secondee support to the Malawi project.
- £4m International Development Fund assistance for climate projects in sub-Saharan Africa announced in June 2012.
- We are co-operating with South Africa on feasibility of a carbon capture and storage pilot.
- We have an MoU with the Inter-American Development Bank to share Scottish know-how on clean energy (e.g. working with Chile on marine energy).
- We collaborate with the Global CCS Institute, producing a regulation toolkit.
- We have a partnership since 2009 with the Maldives on marine energy.
- The Saltire Commonwealth Fellowships support the exchange of knowledge on climate change policy and technology between Scotland and Commonwealth Countries.

CLIMATE CHANGE: DOMESTIC DELIVERY

1. Provisional estimates of UK 2012 greenhouse gas emissions (published 28 March) indicate a rise of 3.5% between 2011 and 2012. Mainly due to an increase in residential and energy supply sector emissions to provide space heating (2012 was colder than 2011). There is a risk this will be used to highlight that Scotland may miss its own 2012 Climate change emissions reduction target.

- The DECC figures are provisional and it will be interesting to note the final UK figures when they are published in February 2014.
- Scotland's 2012 greenhouse gas emissions figures will be published in June 2014.
- The rise in UK residential space heating (15% from 2011 to 2012) resulted from the poor weather experienced throughout 2012, with a wet spring/summer and cold final quarter.

2. We are considering the recommendations that have been made on the draft RPP2 as we work to prepare the final version.

- The Climate Change Act requires that Ministers “have regard” to all representations made on the draft RPP – that is what we are doing.
- The Parliamentary scrutiny of RPP2 has been genuinely helpful and the final version of the report will benefit as a result.
- We are examining how we can improve the accessibility of this complex report as well as adding extra detail where possible.
- The final RPP2 will outline how our climate change targets can be met.

3. Scotland's emissions are reducing, in fact we have had the biggest fall in the EU15

- From SG calculations in December 2012, Scotland has had the biggest fall in emissions of the EU-15 since 1990 (22.8% compared to UK 20.9%); and higher than the average emissions reduction for the EU-27 Member States, which was 14.3%.
- Note: Some of the eastern European countries have seen larger emissions reductions – eg Bulgaria, Czech Republic, Estonia, Hungary, Lithuania, Romania and Slovakia.

4. We are over half way to achieving our target of 42% emissions reductions by 2020.

- Based on the 2010 inventory, Scotland's greenhouse gas emissions (adjusted for EU ETS trading) have fallen 24.3% from 1990 compared to just 20.2% for the UK as a whole.
 - We are continually working to improve the data that we use. This has increased the size of the challenge. Since the CCC advised us on the 2023-2027 targets in July 2011, our projection of what “business as usual” (i.e. “do nothing”) emissions may be in 2027 has risen by 4 million tonnes - an increase of more than 13%. ***RPP2 shows how that gap can be bridged.***

5. The Committee on Climate Change (CCC) noted in their 2nd statutory progress report (12 March) that Scotland has continued to make progress reducing emissions.

- **David Kennedy, Chief Exec CCC:** *“Scotland has made good progress in delivering on emission reduction measures to date. This lays the foundations for meeting ambitious Scottish emissions targets and building a low-carbon economy in Scotland with the benefits that this will bring.”*

6. Scotland missed the 2010 target because of very cold weather, but RPP2 shows that it is possible to compensate by beating targets in future years, meeting our obligations on cumulative emissions too.

- 2010 was the 1st year-on-year increase since 2006 and the result of very cold weather at the beginning and end of the year (the coldest 6 months since 1919) and revisions to historical data.
- The **CCC note** in their progress report that temperature adjusted figures indicate that in a normal year the **2010 emissions reduction target would have been met.**
- Emissions in the residential sector went up 1.1Mt in 2010 – which is greater than the amount we missed the target by -1.06Mt (this is because of increased heating).
- This represents a 15% increase in residential sector emissions from 2009 to 2010.

7. SG has committed over £1.1bn over the spending review period for additional climate change action. Our investment will support a range of climate change measures. This includes:

- More than £340m driving growth of low carbon energy over next 3 years (renewables & grid enhancement).
- More than £350m in homes & communities including energy efficiency & climate challenge fund
- Over £200m to reduce impact of transport - active travel, low carbon vehicles and congestion reduction.
- £79.2m in our Zero Waste Scotland programme over 3 years to help Scottish families and businesses unlock savings and reduce emissions by cutting waste.
- £117.4m over 3 years to tackle emissions in rural land use including woodland creation and support to help farmers make more efficient use of nitrogen fertilisers.

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BRAND HEADLINES

A progressive nation with global reach

Messages	Proof points
<p>Scotland has a global reputation as a place of innovation and imagination, with a world-class higher and further education system and a highly-talented workforce. It is only right that a nation with these already strong and enduring economic, educational and cultural links should have an agenda for progress.</p> <p>Our long history of innovation, educational excellence and entrepreneurial dynamism continues today with world-class research and development in key sectors such as life sciences, energy and education.</p> <p>Over the next few years, Scotland has the opportunity to develop our creative ambition and a lasting cultural legacy.</p> <p>Between the Olympics in 2012 and the Commonwealth Games, we will stage an outstanding cultural programme to promote Scottish culture and creativity, encourage tourism and develop our creative sector.</p> <p>In 2014, we will host three major events - the Ryder Cup, Commonwealth Games in Glasgow and next Year of Homecoming.</p>	<ul style="list-style-type: none"> ▪ More research is conducted in Scotland than in any other country – more academic papers and citations per 10,000 of the population. ▪ Pioneering research in computer informatics, life sciences and expertise in financial services and energy ▪ Skilled workforce e.g. over 4,000 life scientists from 52 different countries are based in Dundee. ▪ Highest concentration of universities in Europe; all 15 involved in ground-breaking medical research ▪ Around 41,000 international students from 180 countries every year. ▪ University of St Andrews the third oldest in English-speaking world, celebrates 600th anniversary in 2013. ▪ Education one of our best exports – Scottish universities boast campuses across the globe ▪ Edinburgh Uni – commercialisation successes e.g. Wolfson Electronics. Last 5 years – set up 135 companies, 75% still in business ▪ Scottish universities generate export earnings of around £500 million annually ▪ Our Curriculum for Excellence is a world-leading exercise in building a modern school experience. ▪ Chemicals industry one of Scotland's top exporters, with overseas exports valued at £2.7 billion a year. ▪ £10m Saltire Prize is a unique global competition to encourage ground-breaking developments in marine energy with potential to develop international partnerships ▪ Aberdeen is the world's second largest energy hub, second only to Houston, USA.

Scottish Government: 5/10/2011

Creative in everything it does

Messages	Proof points
<p>Scotland is well-known for its culture and rich heritage which anchors its distinctive identity, and increasingly recognised for its contemporary and creative cutting-edge.</p>	<ul style="list-style-type: none"> ▪ 280 festivals throughout the year including world-famous Edinburgh Festivals. ▪ Edinburgh's 12 festivals enjoy 4m attendances each year. ▪ Univ of St Andrews a world leader in battle against the flu virus – now developing new drugs to prevent and treat it. ▪ We have the most comprehensive national life sciences strategy in the world, endorsed by industry, academia, NHS clinicians and government. ▪ Scotland's medical breakthroughs include discovery of antibiotics, the cloning of Dolly the sheep, discovery of the p53 tumour suppressor gene and the development of magnetic resonance imaging ▪ Pelamis – the world's first commercial scale machine to generate electricity to the grid from offshore wave energy and the first to be used commercially. ▪ Science festivals invented in Scotland (Edinburgh International Science Festival began in 1989). ▪ Home to luxury textiles brands such as Johnstons, and Hawick Cashmere. ▪ Scotland ranked third in Europe's top 50 games developer locations. ▪ 90% of adults attend or participate in arts/cultural activity ▪ Pioneering spirit – invented the telephone, television, radar, took world's first colour photograph. Built first tarmac road, first pneumatic tyre, invented fingerprinting, cloning and ultrasound scanner, discovered penicillin and anaesthetic.

World-renowned for its warm people

Messages	Proof points
<p>Scottish people are renowned for being friendly, both at home and abroad.</p> <p>Scotland has a huge global family in its Diaspora - 50 million people world-wide claim Scottish ancestry, and many more have a connection with Scotland through visiting, working or studying in Scotland. Others connect through Scotland's cultural heritage of music and dance.</p> <p>The Scotland's People Centre and its website are a rich source of material for all who wish to embark on a journey of discovery into their own family past.</p> <p>For generations, Scots have reached out across the world, building economic, educational and cultural links with many countries; nowadays there is a particular focus on building links between Scotland and China, North America and India.</p>	<ul style="list-style-type: none"> ▪ Well-known for collaborations and partnerships between Scottish businesses, universities and those in other countries. ▪ Every year, we extend a warm welcome to over 2.5 million tourists ▪ On Jan 25 each year, the life of Robert Burns, our national poet, celebrated worldwide at Burns Suppers. ▪ St Andrew's Day, Scotland's national day, celebrated on 30 Nov. ▪ Scotland is the home of Hogmanay, celebrated on 31 Dec with fire festivals, torchlight processions, street parties, live music, fireworks (90,000 international visitors). ▪ Scotland is a world-leader in providing family history information on the internet. Our written records go back a long way – some to the 16th Century. ▪ Anyone can access the National Records of Scotland on a pay-per-view genealogical website called "Scotland's People".

Scottish Government: 5/10/2011

A country of rich natural and built environments

Messages	Proof points
<p>Scotland is a country with diverse and stunning landscapes, miles of coastline, dramatic architecture and bustling, cosmopolitan cities. This makes it a wonderful place in which to live and work, and generates substantial economic opportunities through tourism</p> <p>Our unique heritage and distinctive culture can open up opportunities for investment in Scotland, contributing to economic growth</p>	<ul style="list-style-type: none">▪ Leading the world with our low-carbon and climate change targets and ambitions.▪ Currently 20 wave and tidal projects underway - more than any other country in the world.▪ Well-developed infrastructure from years of energy experience.▪ Vast renewables potential including 25% of Europe's tidal power and 10% of Europe's wave power.▪ 25% of all Europe's wind energy crosses Scotland and its surrounding seas.▪ 6,000 miles of mainland coastline, 283 mountains above 3,000 feet, 99 inhabited islands, six cities.▪ Unique food and drink experiences – from Michelin-starred restaurants to farmers markets▪ Exports more than 12 million salmon to over 60 countries every year.▪ Outstanding architecture: Riverside Museum, Glasgow School of Art etc

Scottish Government: 5/10/2011

The home of golf and whisky

Messages	Proof points
Unique and well-loved icons, recognised the world over.	<ul style="list-style-type: none">▪▪ 550 golf courses, inc Old Course at St Andrews, Gleneagles, Royal Troon, Carnoustie, Turnberry, Muirfield.▪ 10% of population play golf▪ Hosting 2014 Ryder Cup (Chicago 2012 – handover to Scotland)▪ More golf courses per head than anywhere else in the world.▪ World's first professional golf tournament held in Prestwick in 1860.▪ World's oldest surviving golf course - Musselburgh - dates from 1672.▪ Tidal turbines off coast of Islay power whisky distilleries.▪ Scottish whisky by-products generate electricity, animal feed & cut carbon emissions at Strathspey biomass plant.▪ Home to over 100 distilleries▪ More than 2,500 varieties of whisky, sold in 200 countries worldwide, £3 billion in exports each year

Scottish Government: 5/10/2011

Preparing to be a modern independent state (in the short term – Scotland Bill etc)

Messages	Proof points
<p><u>Independence</u></p> <p>Scotland’s people have given a resounding vote of confidence in this Government because they recognise they want real powers for change.</p> <p>Scotland’s constitutional future should be for the Scottish people to decide.</p> <p>The wealth of Scotland’s talents and resources will benefit our people, so that a strong economy, resilient communities and a just society can be built.</p> <p>Shared values can better respond to the challenges of the future and contribute more to the world.</p> <p><u>Referendum</u></p> <p>The Scottish Government’s desire for more financial powers for our national Parliament is supported by many of Scotland’s leading business figures, wealth and job creators.</p> <p>A referendum in Scotland is a matter for the Scottish Parliament and Government, and as promised, we will hold a referendum in the second half of this Parliament, giving people the chance to choose their own future.</p>	<ul style="list-style-type: none"> ▪ Scotland is a unique and distinctive nation with its own justice system within the UK and EU, built on traditional values of integrity and fairness. ▪ The United Kingdom of Great Britain was formed by the Treaty of Union 1707 between the Scottish and English Parliaments, and we would expect positive and constructive social union to continue. ▪ Scotland would continue membership of the EU. ▪ The Scottish Parliament and Government now have over 12 years’ experience of dealing with the EU. ▪ A stronger role in Europe would enable Scotland to make a real and meaningful contribution to influence European policies – in climate change, water policy and renewables, for example.