

Scottish Parliament
Cross Party Group on China
Annual General Meeting, 25 September 2013

***Draft* MINUTES**

Present

Graeme Pearson MSP, *Convener*

Colin Keir MSP

Claudia Beamish MSP

Robin Dyet, Office of Graeme Pearson MSP

Brian McLeish, Scottish Enterprise, Co-ordinator of CPG engagement

Eric Balish, Barclays Trade and Working Capital

James Brodie, Manager Scotland, China British Business Council

Ed Payne, Head of Strategy, Scottish Development International

Dr Lloyd Anderson, Director of British Council Scotland

Robert Dalzell, Quality Improvement Officer, North Lanarkshire Council

Professor Jane Duckett, Director of Confucius Institute, University of Glasgow

Professor Barbara Fennell, Director of Confucius Institute, University of Aberdeen

Iain Valentine, Director of Giant Panda Project and Strategic Innovations, Edinburgh Zoo

Nigel Hedley, Chairman, Administrate

John Peebles, CEO, Administrate

Dr Roger Collins, Honorary Fellow, University of Edinburgh

Barry Cooper, Academic Registrar, Loretto School

Rory Swinson Reid, Project Co-ordinator, Transition Unit

Neil Phillips, Positive Solutions (Glasgow)

Bella Wang, SCEN Youth Committee, St George's School

Fan Lin, General Manager, Confucius Institute for Scotland's Schools

Judith McKerrecher, Curriculum Leader for Languages, Craigmount High School

Anna Tomlinson, Deputy Head Teaching (International and Boarding) St George's School

Peter Kwok, Director, Young Chinese Professionals

Ye Liu (Orchid), freelance writer on Scotland/China Tourism

Christine Moinard, Business Manager, SRUC (Scotland's Rural College)

Susie McCosh, Project Manager, Surveyor, Chinese speaker

Dr Isabel Hui Lui, Heriot-Watt University

Feyrouz Djabali, Policy Analyst, Director's Office, British Council Scotland

Dr Alex Avramenko, Lecturer, Management, Dundee Business School
Alick Kitchin, Joint Head of Edinburgh Business School, Heriot-Watt University
Carole Couper, China & International Business, PhD Researcher at University of Glasgow
Zhang Hong, University of Abertay Dundee
Jane Davidson, Head of Education, Scottish Opera
Sharon Cheng, Investment Director, Clyde Blowers Capital
Simon Macaulay, SCEN Executive Committee, Teaching Fellow, University of Aberdeen
Dr Judith McClure, Convener of the Scotland China Education Network, *Secretary*

1 Welcome

The Convener, Graeme Pearson MSP, welcomed everyone and thanked them for their attendance. He gave particular thanks to Claudia Beamish MSP and Colin Keir MSP, explaining that many MSPs were interested in the work of the Cross Party Group, but were very busy with a range of meetings and commitments.

2 Apologies

The Secretary, Judith McClure, said that apologies had been received from:

Dr Meryl James, Confucius Institute for Scotland's Schools

Martin Bell, Deputy Director Asia Pacific, Scotch Whisky Association

Professor Natascha Gentz

Lindesay Low, Legal Adviser, Scotch Whisky Association

Janette Kelso, Confucius Institute for Scotland's Schools

Adam Purvis, Director, Power of Youth

Richard Clason, Operations Manager, g7 Consultants

Farai Magodo, University of Aberdeen

Dr David McMurtry, University of Aberdeen

William Wilson, WFWilson Consultancy Ltd

Dr Isabella Jackson, Lecturer in Modern East Asian History, University of Aberdeen

Douglas Scott, Scottish Borders Council

Ellie Sandercock, Project Trust

Cathy Gu, Young Chinese Professionals; Ernst & Young

Councillor Eoghann MacColl, East Ayrshire Council

Gordon Ogilvie, Economic Development Officer, CEO's Unit, Angus Council

James Trolland, Ridrum International, Spae Consulting, Maritime Security Management

3 Minutes of the Meeting of 25 May 2013

The Minutes of the Meeting of 25 May 2013 were accepted as a correct record. Neil Phillips praised their precision, to the great gratification of the Secretary.

4 Matters arising

There were no matters arising.

5 Annual General Meeting: Election of Office Bearers

Colin Keir MSP took over the chair for the Annual General Meeting.

i. Convener

Claudia Beamish MSP proposed that Graeme Pearson MSP should be re-elected as Convener. He was re-elected with acclaim.

ii. Vice Convener

Neill Phillips proposed that Gil Paterson MSP should be re-elected as Vice-Convener. He was re-elected unanimously.

iii. Secretary

Eric Balish proposed that Judith McClure should be re-elected as Secretary. She was re-elected unanimously.

This concluded the business of the AGM and Graeme Pearson MSP resumed the chair.

6 Report from Convener on the China Debate in the Chamber of the Scottish Parliament, 5 September 2013

The Convener reported on the China Debate in the Chamber of the Scottish Parliament, which had taken place after First Minister's Questions on 5 September 2013 and which he had introduced.

http://www.scottish.parliament.uk/parliamentarybusiness/28862.aspx?r=8467&mode=html#job_76747

The Convener said that he was pleased to note that all parties were represented. He had been glad to see members of the Cross Party Group on China in the Gallery: he emphasised to members that such a presence is noticed in the Chamber and does make a difference. He reassured members that although the Chamber was by no means full, this did not indicate a lack of interest: there were so many meetings in the Parliament that the Chamber was seldom packed. What was really important was that each party was not only represented but spoke, and the contributions all made important points.

In introducing the debate, he had, as Convener, reported on the concerns raised at the CPG over the last eighteen months, especially:

- The need for direct flights between Scotland and China
- The need for improvement in the visa application process

- Encouragement to the Scottish Government to take positive steps in developing the China relationship in all aspects
- Encouragement to primary and secondary schools to twin with schools in China
- Encouragement of the teaching of Chinese languages, if possible as the first language of choice
- Encouragement and help for SMEs who want to work in China, especially small businesses

The Convener said that he had emphasised that the context of his speech was the pressing need for Scotland to develop its relationship with China, not just in commercial terms but also as a real friendship, including mutual enjoyment of art and music and links between young people and communities. He argued that we should not be conceited enough to believe that we are in the position solely to teach the Chinese; we have much to learn too, given China's long history. This did not mean that human rights issues should be overlooked; they need to be worked through, so that there was understanding of each other's views and the development of a consistency of approach for the future.

The Convener said that the Minister for External Affairs and International Development, Mr Humza Yousaf MSP, had concluded the debate. In doing so he had acknowledged all the points made by the speakers.

Neil Phillips congratulated the Convener on the excellent debate, which had covered all the issues raised at the CPG. However, although he understood the pressures on MSPs, he had been very disappointed by the departure from the Chamber of MSPs who had previously expressed interest. The Convener responded that it was normal for MSPs to leave in this way. Nonetheless it had been very worthwhile and all parties had been represented and taken part. He pointed out that the civil servants who sat at the back of the Chamber were really important too: the key points raised in the debate would be taken down for Ministers as action points. He promised that he would not let them be ignored.

Eric Balish congratulated the Convener on his terrific performance. He said that the presence of the Minister and the dialogue that took place had had a great impact. He believed it was of great importance that the issues should be kept in front of Ministers and MSPs. The Convener said that the presence at the meeting of Brian McLeish of Scottish Enterprise indicated that the CPG has growing influence. He advised members to take advantage of that, for instance in continuing to press for direct flights between Scotland and China.

Neil Phillips said that in fact the service between Scotland and China had deteriorated: the journey times had increased. He gave examples of this, which were reinforced by the experience of Judith McKerrecher. The Convener said that he would write a letter to update the Minister

Action: Convener

Colin Keir MSP said that he was Convener of the CPG on Aviation. The direct flight issue was raised frequently. Airports were vying for this, and he was hopeful that something positive would emerge.

7 Update on the Scottish Government's China Plan

Judith McClure said that she had attended a BRIC workshop at the Scottish Government on 26 August. There had been a particular emphasis on China and on barriers to visitors from there. There had been an understanding of issues raised in the CPG, especially those relating to language, visa requirements, direct flights and air passenger duty. Special mentions were given to the good work of Angus Council, David Valentine and Scotland's Rural College. Representatives of Visit Scotland had spoken of a new strategy for alumni from China marketing and had referred to the China profile on its website.

Judith McClure said that the first meeting of the China Strategy: Implementation and Delivery Forum, of which she was a member, as were others from the CPG, would take place at Victoria Quay on 26 September and would include a Scottish Government update on China Strategy activity as well as contributions from stakeholders across sectors. *See appendix for summary of this meeting*

The Convener raised the question of the proposal that there should be a special invitation to Alumni from China from Scotland's Universities, Colleges and Schools to take place as part of the Homecoming 2014. Judith McClure said that this idea had been supported by the Homecoming Team, and was being debated in the first instance by Universities Scotland. It was important that those involved worked together to agree a date, probably late in the year, so that central events could be planned as well as visits to institutions.

The Convener said that Scotland's new China Plan, *Working with China*, had been published in December 2012 and set clear targets. It was important that the CPG made sure that things happened year on year and did not simply wait to see the outcomes in December 2017. It would be very helpful if members could give their comments to the CPG from the point of view of their own organisations, so that a letter could be sent from the CPG. He would invite a member of the Scottish Government to attend the CPG to respond to questions on the implementation of the China Strategy.

Action: Convener

Claudia Beamish MSP and Colin Keir MSP were obliged to leave the meeting at this point because of other commitments. The Convener thanked them for their attendance and participation.

Eric Balish commented on the targets for trade and said he was curious about the baseline numbers. The Convener said that he would include this query in his invitation to civil servants.

Action: Convener

Neil Phillips argued that the Scottish Government should heed the advice of Consul General Li Ruiyou, who had often said that there are huge opportunities in western and northern regional cities of China: missions should not always

focus on Beijing and Shanghai. He reminded the CPG of the comments of Ed HOFFIE from Nanning. Judith McClure said that Ed HOFFIE had indeed asked that the CPG should consider the importance of securing attention for very significant events such as the recent Expo in Nanning.

The Convener said that the China Hub would take time to become effective. We needed to capture who is doing business, and where; which delegation is coming to Scotland, and when. At the moment we are too reliant on people bumping into each other and passing on information. Neil Phillips agreed that we need joined-up thinking; he looks forward to an update on the Hub at the next meeting.

8 Updates from Members

Professor Barbara Fennell said that she would be at the meeting of the China Strategy Implementation and Delivery Forum the following day. Three months ago, when setting up the Confucius Institute for the University of Aberdeen, she had heard very depressing comments on the lack of Aberdonian interest for doing business with China from a representative of the Chamber of Commerce. She felt that the Confucius Institutes in Scotland, now four and perhaps to become five, had a role in encouraging business with China as well as in working with Hanban, the Office for Chinese Language International, in promoting the teaching and learning of Chinese.

The Convener asked for an overview on the teaching of Chinese in Scotland's schools. Judith McClure said that the Scottish Qualifications Authority provided examination courses from Access to Advanced Higher Level and there was now a Confucius Institute for Scotland's Schools at the University of Strathclyde. However, what was lacking was sufficient teachers and the funding to provide them. SQA figures for were disappointing: less than 350 pupils had taken courses at all levels in the session 2012-2013. Barbara Fennell was in no doubt that Aberdeenshire wanted teachers of Chinese; Robert Dalzell said that North Lanarkshire had just one teacher of Chinese, who may be moving to England. We are expecting growth now, he said, so we need stability and increase of provision, taking account of the new Languages strategy.

Fan Lin reported that Hanban has offered to pay 50% of local teachers' salary and negotiations were taking place with local authorities. Commitment to their employment would be essential. She stressed that it would be vital to work with universities to provide support and that indeed all stakeholders must work together.

The Convener said that we needed to develop the capacity of our young people to learn Chinese, if we are to do business and make relationships with China. He did not wish to be political, but it did not seem right to spend money on the teaching of Gaelic and not on the teaching of Mandarin. Robert Dalzell said that Hanban was offering scholarships to study in Tianjin for a year. Barbara Fennell said that clearly Hanban was willing to do more; we need to do more too. Judith McKerrecher pointed out the difficulties faced by Headteachers, who wanted to maintain the teaching of French, German and Spanish in addition. Principal Teachers may be committed to the introduction of Mandarin, but had to be sensitive to the jobs of the teachers of other Modern Languages, which could be affected. Time would be needed to make a progression from the learning of Chinese in primary schools and its development in secondary; mindsets in schools needed to shift too.

Neil Phillips pointed to the irony of the UK's demanding a level of English in granting visas. Barbara Fennell said that the Confucius Institute for the University of Aberdeen would be opening that week, on 27 September. The granting of visas for one year only meant that every single worker in a Confucius Institute had to be re-trained every single year. John Somers, First Secretary for Scottish Affairs at the UK Embassy in Beijing, was superb. But something needed to be done as soon as possible. The Convener said that we were conducting our relationship in an embarrassing manner and that Government needed to understand the huge practical problems. Barbara Fennell said that she would provide him with the requisite information.

Eric Balish made several points:

- The 48 Group Club, the Icebreakers, were of central importance. Their influence in Scotland was currently sporadic, but overall they had a high profile because 60 years ago they had begun to trade with Mao's China, breaking the trade embargo. They were regarded as long-term friends of China and held a unique position. Bella Wang, present as a member of the CPG, had been a participant at the 60th anniversary celebrations in the Great Hall of the People in Beijing. Senior Ministers from the Chinese Government attended.
- The 48 Group Club had relevance in Scotland too. As Convener in Scotland, he intended to work with other partners, including the China Britain Business Council, to increase collaboration. James Brodie had offered to provide the secretariat of a new focus group, the Scotland China Business Forum. It would meet formally twice a year, but would encourage business groupings, universities and Confucius Institutes to work together, using the new China Hub. Ed Payne, Head of Strategy at Scottish Development International, would help here. We must make this happen, he said. We need accurate metrics and the names of key people. The focus of the Scotland China Business Forum will be key objectives that provide tangible benefits to businesses, including universities.
- Young people must be included in this mission. There was a subset of the 48 Group Club called the Young Icebreakers, which was most successful and included young people aged 17-35, the future business leaders. It was planned to develop Young Icebreakers in Scotland and Heriot-Watt University Business School had offered a base. Other Icebreaker groups would be based elsewhere. Judith McClure would lead on a new concept which she would propose to Stephen Perry, Chairman of the 48 Group Club: that of School Icebreakers. In this way all three stages could be introduced to doing business with China.

The Convener invited comments from James Brodie and Ed Payne. James Brodie said that CBBC was very encouraged to work at the heart of the Scotland China Business Forum. He said that in fact the Chamber of Commerce in Aberdeen was not ignoring China; on 4 September 2013, 35 companies from China had been in Aberdeen to consider synergies in oil and gas. He was working with SDI on missions concerning oil and gas, and also food and drink. Aberdeen was much involved.

Ed Payne strongly supported Eric Balish's invitation to form a Scotland China Business Forum and said it was very welcome, especially for the private sector. Many small companies were coming to China, hoping to understand the challenges and the opportunities. Julian Taylor, Scottish Enterprise's Executive Director, Strategy and Economics, would be back from Shanghai for the next meeting of the CPG: he suggested that he would complement John Somers very well.

Peter Kwok said that he had been talking to the Scottish Government about the creation of a Scotland China Alumni International network. It had begun, using Weibo.

Barry Cooper asked whether the celebration of Alumni from China at the Homecoming would include schools: Judith McClure said that this was certainly intended, once the preliminary discussions with Universities Scotland had taken place. Christine Moinard had been at the recent meeting of the International Committee of Universities Scotland and gave an early report that there would be support for this initiative.

Jane Duckett commented that it would be ideal to secure co-ordination of dates and events. But there was a great deal of China activity across Scotland: communication would be extremely important. The Convener said that the new Hub should certainly help.

The Convener proposed that there should be three short presentations at the next meeting, from John Somers, Julian Taylor, and from Professor Tariq Durrani of the University of Strathclyde, a fascinating speaker and great communicator. This was agreed.

The Convener said he was pleased to be back in the chair: it was an honour to be re-elected. He pledged that the efforts of the CPG on China would continue and it would strive to do even more

9 Date and Theme of Next Meeting

The next meeting of the Cross Party Group on China will be held on Thursday 28 November 2013 in the Scottish Parliament.

Mr John Somers, First Secretary, Scottish Affairs, at the UK Embassy in Beijing, has agreed to be present, to speak and to respond to issues raised by Members. It has been proposed that Julian Taylor, Scottish Enterprise's Executive Director, Strategy and Economics, should also speak. The third speaker will be Professor Tariq Durrani of the University of Strathclyde, Chair of the China-Scotland Research Academy on Signal Image Processing, comprising nine high-profile Chinese and five UK universities for collaborative research and staff/student exchanges:

www.china-scotland-sipra.org

Mr Li Ruiyou, Consul General of the People's Republic of China, has generously offered to host a Reception for the Committee in the Committee Room at the end of the meeting, at which he will say a few words.

Update on Meeting of the China Strategy: Implementation and Delivery Forum on 26 September 2013 at Victoria Quay

The Meeting considered:

- *The May 2013 Report of the Scottish Parliament's European and External Affairs Committee on the economic aspects of the China Strategy;*
- *The Visit of the Minister for External Affairs and International Development, Mr Humza Yousaf MSP, to Beijing and Hong Kong in June 2013;*
- *The work of the Cross Party Group on China and the Members' Debate in the Chamber introduced by Graeme Pearson MSP in September 2013;*
- *Plans for a China Information Hub, with four sub-groups, on LinkedIn. This would mean professional rather than social links and allow sharing of information, including documents such as the monthly newsletter of John Somers, First Secretary for Scottish Affairs at the UK Embassy in Beijing. Address:*

http://www.linkedin.com/groups/Scotland-China-5114344?home=&gid=5114344&trk=anet_ug_hm

The sub-groups are:

- *Sino-Scottish Trade and Investment*
 - *Scottish Education Links with China*
 - *Research and Development Links between China and Scotland*
 - *Scotland and China's Culture, Sport, and Tourism Links*
 - *There is also a fifth subgroup for members of the China Strategy – Implementation and Delivery Forum.*
- *The development of a marketing strategy.*

Forum members gave updates from their own organisations on:

- *Trade and investment;*
- *Education: where there was emphasis on the need for more teachers of Chinese, and the engagement of parents;*
- *Research;*
- *Culture, Tourism and Sport.*

The Visa question was well recognised as an important issue; the need for stakeholder engagement in the China Hub was recognised, and all members recognised the importance of collaboration across all sectors.