

Cross Party Group on Poland

Scottish Parliament

ZOOM MEETING 16th June 2020

Tuesday 16th June 2020 5.40 pm hosted by Joan McAlpine MSP and Claire Baker MSP

Virtual meeting via ZOOM (during lockdown due to Covid-19 pandemic)

FOCUS BUSINESS

MINUTES:

1 Attendance:

1. Convener; Joan McAlpine MSP (JMA), Claire Baker MSP (CB)

2. **Welcome;** Joan welcomed everyone. Apologies for delayed start to the meeting due to changes in parliamentary business

Present:

Joan McAlpine MSP, Claire Baker MSP, Sylwia Spooner, Krystyna Szumelukowa, David Worthington, Magda Czarnecka, Tomasz Borkowy, Bartlomiej Kowalczyk, Michael Dembinski, Martyn O'Reilly, Grzegorz Marecki, Olivia Willis, Chris Sagan, Margot Sagan, Robert Hodgart, Andrew Roach, Keith Mullins Macintyre, Zosia Fraser.

3 **Apologies** :Violeta Ilendo, John Bates, Beata Kohlbek, Ireneusz Truszkowski, Czeslaw Kruk, Martin Stepek, Antony Kozlowski, Ela O'Neill, George Rubiński, John Mason MSP, Anna Ruszel, John Lassa, Mira Waligora, Brian Donnelly.

11 Meeting :

1. Welcome and introduction to this Business – themed meeting Joan McAlpine MSP

2. Approval of minutes of meeting held on 25/02/2020 Proposer; Michael Borland
Seconder; Tomasz Borkowy.

3. **Matters arising;** ongoing re Scottish Belvedere Forum. We are still awaiting a reply from Fiona Hyslop and Mike Russell for their comments on our proposal

Speakers:

Sylwia Spooner for the Polish Consulate

- Krystyna Szumelukowa; Scotland Poland++

Michael Dembinski; British/Polish Chamber of Commerce

Bartlomiej Kowalczyk; PB –Link

Martyn O’Reilly; Scottish Government Trade Envoy to Poland

Grzegorz Marecki; CEO Continuum Industries

Krystyna Szumelukowa Scotland Poland

KS spoke to her “Belvedere Report” circulated earlier, in connection with establishing links for the Belvedere Forum and Business between Scotland and Poland .

The Belvedere Forum is an intergovernmental and civic society initiative developed originally by the Foreign and Commonwealth Office UK and the Polish Government and now managed by Chatham House UK and PISM (the Polish Institute for International Affairs). Its fourth meeting was held in London in March this year.

It is felt that the Scottish voice, and that of the other devolved nations in the UK is significantly missing within The Belvedere Forum . Chatham House is a well- known and respected academic think-tank and talk shop but is in danger of overlooking the future contribution of civil society and the engagement of local communities, especially as the UK is leaving the EU. Chatham House had been briefed on the Cross Party Group on Poland in Scotland and its diverse representation but declined an offer to include such reference in the March meeting in London which was heavily oriented to the “Golden Triangle” of London, Oxford and Cambridge.

It is felt that The Belvedere Forum needs to acknowledge the relationship between Scotland and Poland and help to make it work better. There are over 100,000 Poles in Scotland which provides a marvellous talent pool and potential for future co-operation and collaboration. and can serve to mitigate the damaging effects of Brexit .The role of Higher Education, especially the universities, is important in maintaining and expanding links between Poland and Scotland and will be invaluable in the future; eg the University of Edinburgh and the Jagellonian in Krakow who are now in the Europa Una alliance. The recent meeting of The Belvedere Forum also overlooked the role of Culture and the Creative Industries. Plus, several towns and cities in Scotland have links with Polish counterparts. We need to make the Scottish voice heard and the potential for further bilateral projects and programmes in Scotland and Poland acknowledged, The value of The Belvedere Forum lies in bringing expert opinion together, particularly in the present day context of UK leaving the EU but needs to be actioned by civil society which would include the education and business sectors.

- Chris Sagan - we should develop our own Scottish/Polish Business Forum rather than try and bring the Forum up from London. He offered his services for the future in establishing such a group.
 - Robert Frost –there are arguments for and against a "Scottish Belvedere Forum", mentioning the Aberdeen Symposium recently held under the leadership of Norman Davies, re Higher Education, and the formation of a foundation to teach Polish in all Higher Education establishments in Britain. Starting fund-raising here and in Poland interested business people are invited to contact him.
 - Olivia Willis -why no mention of a BF in Scotland in 2021, as Warsaw is under consideration at present? it was said that despite frequent updates to BF conveners, KS "points re showcasing Scottish achievements" have been rejected from BF.
 - Following a meeting with Frank Strang, a more cohesive approach needs to be presented to BF, so that Scotland can be included. The earliest date for a Scottish only forum might be 2021, to develop a proposal for 2022.
 - Claire Baker said she did write to Fiona Hyslop, but no response received yet possibly due to changes in ministerial responsibilities, and perhaps a reply will be received from Mike Russell.
 - Andrew Roach, might be possible to hold a forum in Scotland and questioned whether Poland has the bandwidth to do so. Also Chatham House is extremely well connected and has good links with the Foreign and Commonwealth Office.
 - Martin Stepek suggested initially including Scottish matters in BF and using that to eventually holding a Scottish Forum.
 - Robert Hodgart, In terms of Education, he referred to an active group of about 40-55 academics who meet every two years in Poland. They call themselves "Scotland in Europe" and represent many universities, holding conferences with a focus on Scotland.
- **Michael Dembinski , British, Polish Chamber of Commerce**

Business post-Covid in Poland is doing better than in UK. Poland was not as badly affected as other countries, thanks to tough measures introduced at the start. Positive cases in 1 week in UK were equivalent to 3 weeks in Poland. There were hotspots in Silesia in coal-mining areas and in Łódź, manufacturing areas. There have been outbreaks in Warsaw. The European Commission states that Poland will be the least touched by the pandemic, and at the end of the year it is expected that Poland's GDP will be down by only 4%.

While tourism and hotels were closed; members of the Chamber are recruiting in Poland. Manufacturing, construction, agriculture and IT shared services are doing relatively well.

Opportunities in Poland for Scottish businesses, and working with Scottish Development International yields possibilities. Working frequently with Martyn O'Reilly and now Fife Chamber of Commerce we are promoting Poland to members. Over the last 30 years, Poland has had 28 years of unbroken growth. Polish income has quintupled and the people are wealthier, and have become more worldly –wise and knowledgeable, even on whisky preferring single malts to blends

We're seeing close co-operation in fields of engineering and manufacturing companies like Weir pumps and Babcock are developing in Poland . There are now high-end shops in Warsaw but luxury Cashmere and woollen goods should also be there.

The Department of International Trade was set up in the British Embassy in Warsaw, with a view to attracting Polish start-ups, and IT services but it was directed at London and not Edinburgh, which isn't mentioned or promoted for financial expertise .

On Green energy –Poland has offshore wind farms near Szczecin which are heavy on hardware, but lack expertise and need the consultants and expertise which Scotland has. Minister Ivan McKee and his Polish wife Ewa were over in Poland for Burns Night and the British Polish Chamber of Commerce is keen to attract further opportunities from Scotland.

Scotland is not frequently promoted –as trade routes and the UK brand are better established in Poland; the British Embassy tends to be very London –focused and IT /Media services tend to go towards Media City in Salford. Edinburgh isn't mentioned or promoted for financial expertise and it is felt Edinburgh should have “a larger slice of the cake.”

- The CPG was thanked for bringing business experts together and raising the issues which currently affect business in Poland and Scotland.

Bartlomiej Kowalczyk PB Link

Involved with small businesses, family run businesses and the challenges which are the same for all at present due to the effect of the pandemic. Factors affecting small Polish businesses are the furlough scheme and the bounce back loan which are of great help; cash flow issues and the effect of “Settled Status” applications on workers and owners. It is felt that as exporters we should promote Scotland more , as enquiries often are directed at London, rather than Edinburgh.

Approached by Business Gateway with offers of support for Polish businesses hopefully also post-Covid, I set up the Polish Business Roadshow and covered Edinburgh, Aberdeen, Glasgow and Inverness in Scotland. Good community support in these 2 –hour events to help set up businesses and discuss with Solicitors and Accountants to advise. Following discussions, networking amongst attendees was productive. The impact of Covid on Polish businesses in the UK long term may

result in serious difficulties and bankruptcy, if UK government support is withdrawn. For small family-run businesses, the options are limited to staying with the business, going back to Poland, or going online. Post-Covid future for Polish businesses, many of whom are dependent on UK support, Bartek feels will possibly follow a similar pattern.

Martyn O'Reilly Scottish Government Trade Envoy to Poland since 2018

Many years' experience of working in Poland and promoting Scotland, and vice chair of British Polish Chamber of Commerce. A new appointment at the British Embassy of a Permanent Representative of Scottish Development International, will focus on energy, the renewables sector, oil and gas. Global Scots (12 Scots with over 20 years' experience each of working in Poland) among whom are many experienced, qualified specialists, who can advise on business promotion in Poland. In 2018 Scottish exports to Poland topped £395 million. The Irish Government managed 1 billion euros of exports to Poland. The Irish bought a bank in Poland and the businesses followed. The Scots have a great reputation in Poland, there is presently a big focus by the Scots Government to expand exports to Poland. A recent success is the link up with Chopin Vodka with malt whisky bottlers in Elgin where the whisky can be promoted alongside Chopin Vodka. Martyn indicated that the Scots need to be stirred up and look towards exporting goods and services to Poland despite the perceived language barrier. Most Poles in business speak Polish as well as English. His plans include focussing on hundreds of Scottish companies and supporting them with exporting to Poland. Burns Night Celebrations in Warsaw, with the Caledonian Society, to be a very successful networking event. A "Wojtek" commemorative tie was even given to Lech Walesa along with a bottle of whisky.

Martyn hopes to focus on 1000 companies in Scotland and encourage them to expand into Poland. Likewise, any companies in Poland who wish to trade in Scotland would be very welcome.

Grzegorz Marecki CEO Continuum Industries

Grzegorz Marecki, a Civil Engineer came to Heriot-Watt University (Edinburgh) to study in 2013. "A great university which offered him and friends who came over with him, a great place to study and support with fees". In 2018 he and colleagues started up a technology firm to develop software for engineers to design infrastructure for railways, roads, cables and renewables by turning processes which took months to a few hours. A young company of 12 people, 9 nationalities 3 of whom are Polish.

He considers the company really lucky to raise £1.5 million from venture capital backed by the Scottish Government and some from Central European Funding through Prague and a London-based venture capital firm. At university, we were quite a young team, 150 students from Edinburgh and Heriot Watt, for 5 years they

were led by Poles; called “Hyped” interested in” Hi-Speed Vacuum Travel .”
Fortunate to meet Gareth Williams, founder of “Skyscanner”, (with his offices across from Edinburgh university; Gareth Williams invested £250,000 in the students’ ideas of “Hyped”, and gave us access to entrepreneurs, software engineers and talented executives .

The short term market doesn’t pose too many difficulties for us, as we were planning for a worst case scenario .As a software company we’re finding it easier to engage with technology customers at present ,and are considering investing in Poland where there is a great deal of talent ,as in Scotland but it is super expensive and limited . That’s why we teamed up with a Central European Investor to work with us to develop the company in Poland; where popular programmers and software developers and computer engineers are highly rated. (Skyscanner had offices in Poland in Rzeszow, which were very successful) Benefits we are considering are access to the European market, made easier due to the British brand which Polish start- up companies struggle with and. don’t have the means to raise venture capital .

Discussion

- **Joan McAlpine** thanked all the speakers and in particular the inspiring story of the last speaker –Grzegorz. It shows a good government policy to welcome EU students, and support fees. Edinburgh has great talent and software developers. Engaging Scottish entrepreneurs, recent hires made by his company due to changes in the economic situation, people who had lost their contracts because of the pandemic were available to work. Future expansion plans include Poland and maybe hiring of many more. Post-covid there will be high unemployment but talent is great in Edinburgh ; there are schemes to upskill people into software development and the situation is better for developing business here than in the south where salary scales are very high.
- **Martin Stepek** CEO of Scots Family businesses, is developing a Polish Family run Business group, planning to link the two in the future. He mentioned that 41 businesses in Scotland are family-run businesses eg Wood, Baxters, Thomsons, Tunnocks, Walkers Shortbread amongst others. Martin also spoke about his production of heritage tales of life lessons learnt from difficult situations of his Grandparents, who suffered a great deal. He has created eight 10 -minute videos which he is happy to share, which may be helpful in the present situation.
- **David Worthington** asked can we do more to bring people together for CPG meetings? He lives 4.5 hours away from Edinburgh, perhaps with the use of technology, like zoom we could bring people from Poland to speak. Joan agreed, perhaps something to be looked at to bring more people together to the group.
- **Michael Dembinski** – question to Grzegorz re skills; he heard from quite a few that IT projects are coming to an end with no new hires. But In Poland its full

steam ahead. Also mentioned the effects of IR35 of taxation of self-employed workers which will have the effect of increasing NI, taxes and salaries on self-employed IT people. Two colleagues, have said that it will affect contractors charging higher fees, so it might be easier to hire from Poland .

- **Grzegorz Marecki** as a startup company they do not use contractors. They hire directly and offer employees a share in the company –not possible with a contractor
- **Olivia Willis** in reply to Bart, Polish Professional Forum, as Consultants disruption in the markets generates more work for them and business is thriving. International businesses employing Polish firms are very supportive, during the lockdown and relieve restrictions on parents, increasing flexibility and support for employees eg delivering home offices and materials quickly; many Polish businesses react this way. Business as usual
- **Karin Friedrich** -students from Poland affected by Erasmus scheme- are there any plans between Scotland and Poland to replace Erasmus ?
- **Joan McAlpine** and the committee on Tourism Culture and External Affairs pressed importance of Erasmus negotiations progressing after the enquiry into UK government plans and the Scottish government to restore Erasmus.
- **Karin Friedrich** -bi lateral co-operation Scotland and Poland possible even though EU are prepared to discuss if UK gives the go-ahead.
- **Joan McAlpine**, Michael Russell will be asked about bilateral negotiations on Erasmus which affects not only Higher Education, covers apprenticeships language learning.
- **KS** –Belvedere Forum –is there a possibility at the next Belvedere in Warsaw could Martyn run a Scots/Polish Fringe event alongside As there are Alumni of Edinburgh University in Poland would it be possible to get them together to form “Talent Hubs” ? Global Scots and Global Poles should be encouraged to get together.
- **Martyn O’Reilly**, keen to bring Scottish Alumni together, St Andrew’s and Aberdeen Alumni at the Scottish Office at the British Embassy shared a Whisky table. These people are the future professional management in Poland.
- **Sylwia Spooner** –for the Polish Consulate :**Polish Presidential Elections** :

It’s well known the Polish Presidential Elections were to be held on 10th May, which would not be possible due to Covid restrictions. The legislation in Poland allows for postal voting. The new date set is for 28th June 2020 with a second round on 12th July. The entire process will be conducted by correspondence. There are 130,000 Poles in the UK and 15,000 registered to vote in Scotland. Two of our members Maciej Dokurno and Tomasz Borkowy are very involved in promoting the democratic process, Ballot papers will be sent out now and the Electoral Commissions are based in the Consulates, we’re hoping everyone will vote.

Sub Group Updates: Written reports submitted later

- **Keith Mullins MacIntyre –Polish Cultural Festival Association** - no updates due to Covid, but there are new items online “Niepokonany” “Invincible” a docudrama of General Maczek , Also online is Matthew Zajac ‘s “The Tailor of Inverness”, available for rental also .
- **Chris Sagan PEC** -just to add the Sikorski Club are in discussion with Matthew Zajac to present the “Tailor “ in Glasgow for a presentation. Going ahead with the L3 Polish guide for teachers in August
- **Beata Kohlbek PEC.** Nothing new to report. I contacted 3 councils trying to get some feedback regarding Polish being taught in Primary Schools, but nobody got back to me

I will mention that secondary schools in Scotland have been asking the SQA for the introduction of National 5 and Higher assessments for Polish, but the response they get is the same: the SQA want to see uptake increase for “Languages for Life and Work” first. Schools don't find this assessment useful, level too low (as we know).

Perhaps if we have a focus on Polish/Scottish Business, our voice should be heard. Polish in schools would be helping many youngsters to use it later in their careers, e.g. Polish/Scottish enterprise

- **Feniks - Magda Czarnecka** most meetings are held on-line. Demand for services growing, Covid is affecting the Polish community. People are fearful due to lost income, isolation, furlough and lost work. Many Poles have pre-settled status which makes it difficult for them to get jobs and are not eligible to apply for benefits. Feniks is also planning dissemination of information on suicides in the Polish communities following on from their research to be aired on 23rd July.
- **KS** mentioned that it might be a good idea to send the Consul General, Mr Truszkowski ,congratulations on his election as Dean of the Consular Corps in Scotland. Joan and Claire will send congratulations on behalf of CPG.
- **Re Belvedere** –formation of a sub- group to discuss zoom potential for meetings?

Very many thanks to our guest speakers for their excellent presentations and their support of the Cross Party Group, and to all who took part

The meeting closed at 8.25 pm

Next meeting tbc