

**SPEECH BY THE SECRETARY OF STATE FOR
SCOTLAND
AT THE SCOTLAND EUROPA 10th ANNIVERSARY
SEMINAR
EDINBURGH, 1 JULY 2002**

Today we mark the 10th anniversary of Scotland Europa. And in those 10 years, Scotland's profile in Brussels has been transformed. We are able to make our mark, not just with the other devolved administrations, but with member States as well. And the respect with which Scotland Europa is regarded by the United Kingdom Permanent Representation – UKREP to its friends - is testimony to the skill and experience of the staff in Scotland House.

Scotland Europa has come a long way, but then so has Scotland. Scotland Europa was formed when devolution was Scotland's settled will, but not yet a reality. But it has come into its own over the past three years – three years to the day, indeed - as the partnership between Westminster and Holyrood, between the United Kingdom Government and the Scottish Executive, has put down roots and borne fruit.

The First Minister and his colleagues contributing to policy for UK positions, and myself, the Secretary of State, speaking for Scotland in the Cabinet. Scotland Europa and the Scottish Executive sharing Scotland House, keeping in close touch with UKREP just across the road. All working together for an ever more prosperous and confident Scotland, strong in a United Kingdom that is itself strong in Europe.

Last October I took part in Scotland Week in Brussels. A true example of the effectiveness of partnership. Partnership between Government and Executive, public and private sectors, business and trades unions, local government and the rest of civic Scotland . United in one cause. To do our best for Scotland.

And partnership delivers results. Take the launch of Scotland's first fast ferry service to the Continent. Getting Superfast Ferries' Rosyth-Zeebrugge link into operation has been a triumph for the concerted organisational and lobbying efforts of the private sector, the Government, the Scottish Executive, UKREP and Scotland's MEPs of all parties.

It was the award of an £11 million Freight Facilities Grant, with European Commission clearance which was hard fought for, that made the service practicable.

The environmental benefits alone are huge – 2.4 million fewer lorry miles a year on Scotland’s roads. And the new service immediately created 250 new jobs, mostly in Fife, with a hoped-for spin-off of 1,500 further jobs in tourism right across Scotland.

Devolution and partnership has put Scotland right at the heart of the workings and development of the European Union, perhaps more quickly than seemed realistic when Scotland Europa was formed. And I am confident that the dividends for Scotland from that engagement will continue to grow. Both in terms of the broader political and economic climate, and the essentially domestic matters on which EU policies impact, now receiving a sharper focus than before through the Scottish Parliament and Executive.

In addition, the United Kingdom now takes an active and positive stance in Europe. When this Government was first elected the UK was regarded by our European partners rather like the eccentric relative who causes embarrassment

at every turn. Today, we are leaders in Europe, driving the reform agenda, no longer sidelined.

The Scottish Executive is part of that process. Closely informed, consulted, both about day-to-day issues and the progress of legislation and about the intensifying debate on the future shape of the EU. You only have to see how regularly Scottish Ministers take part in EU Ministerial Councils as active and respected members of the UK delegation to see this closeness in action.

On the economic front, I know from my own experience as the DTI's Minister for Competitiveness in Europe just how much Scottish business has moved to seize the opportunities presented by an ever-deepening Single Market. And the Government and the Scottish Executive are doing all they can to help our world-beating firms do even better in a market that already takes 63% of Scotland's exports.

There is a myth around in some quarters in Scotland that the US is our biggest and best trading partner. That is just not so – we sell more to the Dutch than we do to the States. The European Union is now our domestic market: 300 million consumers and growing. So those who try to

frustrate our role in Europe are playing Russian Roulette with Scottish jobs and prosperity.

I believe that Scotland's commercial and political interests are now very effectively represented in Europe. But Europe itself stands on the threshold of fundamental change, and we need to be in on the ground floor.

Scotland Europa's first ten years were a time of change, but nothing to compare with the decade that lies ahead. Just look at the challenges we face. The enlargement of the EU from 15 nations to 25 or more, and the consequent expansion of the Single Market. And then the profound institutional and attitudinal changes that the EU has to make to accommodate this growth.

These changes are now being considered in the Future of Europe debate, launched at the Nice Intergovernmental Conference in December 2000. This debate is vital for Scotland. It is already lively but it must not be allowed to become one dimensional.

Of course it is about how effectively Scotland's voice can be heard on those matters with a specific resonance to Scotland.

But it is also important that we take account of how best the United Kingdom – as member state – can help to create the kind of European super power that meets the aspirations of all our citizens ... without creating a super-state.

We need to make European institutions more responsive, more inclusive and less the preserve of jargon obsessed anoraks. The European Union has an enormous capacity for good, but it also has a huge capacity to be misunderstood.

That is why the debate about an elected President is so important. It is a means of finding where the buck should eventually stop. And it provides a focus for making progress in a way that is responsive to the will of the people.

At the heart of our ambitions for Europe lies economic reform. An agenda to make Europe, and its component parts, the leading global competitor in the knowledge-based economy by 2010. The United Kingdom has championed economic reform within Europe because it is thoroughly practical and achievable. The thinking behind it is very similar to the rationale behind Scotland Europa: of identifying the opportunities, being positive yet at the same time intensely realistic. And the results are there for all to see.

The success of Scotland Europa, the success of the UK's positive engagement, demonstrates very clearly that the EU can respond, can be influenced, can be harnessed to our advantage.

For years the sceptics have railed against what they see as the small-mindedness, the pettiness of Europe. We have been repeatedly told by the media that the Europe we participate in is preoccupied with nit-picking detail, that it can't or won't see the wood for the trees. That frankly we are wasting our time.

That is what I mean by Europe being misunderstood.

Although frankly there are some people out there who have built their careers on "misunderstanding".

I am often left wondering who the true nitpickers are. Are they the officials who drafted the laws that opened up the Single Market to Scottish business or put "best before" dates on our food?

The United Kingdom is in Europe for the long haul. So is Scotland. Ministers and business people alike have recognised from the outset that there are benefits to be won. But equally we are under no illusion that we shall have to work hard for them.

Enlargement of the EU is a huge opportunity for Scottish business, but it is also a challenge. We can't expect orders to fall into our hands like ripe fruit. Europe can work for us, but we have to make it work for us. Events like today's are an opportunity to see how we can make it work even more successfully for Scotland. And I look forward to seeing the results, during an even more successful second decade for Scotland Europa.

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