

Notes of meeting with the Russian Consul General 15 March 2017 : T4.03 Scottish Parliament

Keith Brown Cabinet Secretary for Economy, Jobs and Fair Work
Andrey Pritsepov Russian Consul General (CG)
Magomet Zyazikov Attaché
[REDACTED] Deputy Private Secretary
[REDACTED] Senior International Relations Policy Adviser
[REDACTED] Policy Adviser, Trade Policy team

1. Scottish Trade with Russia

1.1 The CG opened by remarking to Mr Brown that he had been impressed by reports of the high percentage of energy which Scotland had produced by renewable means. He noted that Russia, despite sitting on massive reserves of oil & gas, was interested in following a similar path and Scotland were considered a leader in renewables.

1.2 Mr Brown gave the CG an outline of an event to be jointly hosted by SDI/DIT on 29 March in Aberdeen which is aimed at companies considering entering the Russian oil & gas market or who wish to expand their business in Russia.

Action : Mr Brown asked that SDI report back to him directly on the outcomes of this event in Aberdeen and to offer commentary and conclusions.

2. Elaboration of a roadmap for strengthening economic (trade) relations between Russia and Scotland

2.1. The roadmap for strengthening trade relations would mainly sit with SDI and the CG was due to meet SDI's Managing Director, [REDACTED], in April. The CG also noted that compared to countries of a similar size such as Denmark and Norway which have c. £5 billion in trade with Russia, Scotland only has £250-300k but he understood there were geopolitical factors at present, however these figures showed how much trade was available.

2.2 CG listed several areas where there was the possibility of Scottish companies setting up in Russia. He remarked that companies who are physically set up in Russia tend to be protected from the fallout of geopolitical events such as at present. The CG had recently visited [REDACTED] and had discussions on the prospects of cooperation with Russian partners and further development of the company's business in Russia have been explored.

2.3 CG cited areas such as textiles, salmon farming (where there can be planning issues in Scotland) and milk production (for which Russia can only supply 33% of its need). As an aside, CG had spoken with [REDACTED] and [REDACTED] who coincidentally are in Cab Sec's constituency, so he would pay close attention to any development.

2.4 CG noted he had previously met the chairman of [REDACTED] to discuss the prospect of economic investment cooperation between Russia and Scotland. Mr Brown said that sometimes a major player entering a new market gives impetus to SMEs and also that the model of smaller companies banding together to go into a new market and sharing outlays such as translation, legal services etc was well established.

3. Promotion of existing links between Russia and Scotland (establishment of the House of Scotland in Russia)

3.1 CG spoke of the potential for a 'Scotland House' or hub (St Petersburg and Moscow were mentioned as options). possibly to link Russian and Scottish companies especially in food & drink and textiles. Mr Brown spoke of the SG innovation and investment hubs that are being or had been set up in Dublin, London and Berlin.

3.2 CG noted that a representative from St Petersburg has been invited over to Glasgow to build links. Mr Brown said that, diary permitting, he would be happy to meet the representative. The CG was also keen to identify a contact who could approach a counterpart in the Kaluga region of Russia. Kaluga is a city approximately 150km south west of Moscow and is a large automotive and industrial centre.

3.3 CG advised that he has had talks regarding direct flights from Edinburgh to Russia (Moscow). Mr Brown asked to be kept updated on any progress as the introduction of a direct air route was often the precursor to increased trade and tourism.

4. Potential Support for Arctic Convoys Project

4.1 CG highlighted the Arctic Convoys Project. Both Mr Brown and the CG are well aware of the history of this and both spoke about the road leading to the Arctic Convoy Medal award. Mr Brown noted that funding was being sought through various channels.

5. [REDACTED] payment dispute with [REDACTED]

5.1 Finally, Mr Brown thanked the CG for his previous assistance with [REDACTED] over their payment dispute with [REDACTED].

[REDACTED]
Trade Policy
Ext [REDACTED]