

Agenda Item	4

**HIEP Policy Priorities 2017
Report by Officer Group**

Summary	
This report outlines the suggested HIEP policy priorities for the coming year. These priorities are intended to focus the work of HIEP, in particular the HIEP policy officer, and form the basis of engagement with Scotland Europa.	
1.	Background
1.1	At the HIEP Board meeting on 29 February 2016 Board members considered and approved a report that outlined HIEP priorities for the year ahead and categorised them into three groups: <ol style="list-style-type: none"> 1. Those where there is a clear policy “fit”, we have the resources to pursue and there is likely to be a significant regional outcome. 2. Those where there is potential policy “fit” but where a better understanding of the EU policy agenda is required to determine how / if we pursue. 3. Those where HIEP should take a “watching brief”, either because no current engagement is required or because policy engagement is more likely to be taken forward by individual partners.
1.2	Following the result of the UK referendum on 23 June 2017 these priorities were to an extent forced to change most notably because of the need to focus resources in the short term on briefings and responses to a number of consultations related to the decision to leave the EU.
1.3	While much work clearly remains to be done in relation to the UK’s departure from the EU the opportunity now exists to revisit the list of HIEP priorities in the light of the current circumstances and agree future priorities that incorporate both continued EU engagement and activity related to the transition to domestic arrangements where this is relevant.
2.	A revised approach to defining HIEP Priorities
2.1	At the time the previous priorities were set the UK was an active EU member and anticipated being one for the foreseeable future including into the post 2020 period for which new policies and funding arrangements were about to be developed. This meant that the previous approach to setting priorities was based around finding a fit between Highlands & Islands interests and existing or emerging EU policy to ensure the Highlands & Islands could benefit from these policies.
2.2	In recognition of the current circumstances officers would now recommend an alternative approach whereby we begin by defining the needs of the Highlands & Islands and what partners overall objectives are. It would then be possible to identify where EU policy and our continued European engagement can support addressing these but also where it may be more relevant to consider where new domestic alternatives might be required and seek to influence these.
2.3	On the basis that our region has specific challenges pursuing a regional policy approach is likely to be the best way of ensuring the area does not lose benefits currently brought by the EU cohesion policy approach. A regional policy would reflect the challenges the area

	faces due to factors such as peripherality, a predominantly rural economy and distance to markets while proposing measures that would counter these. In particular the objective would be to ensure the area offers the right conditions for businesses to thrive while also maintaining the area as an attractive place to live and work to avoid population decline or negative demographic changes.
2.4	In undertaking the above approach it is worth recognising a number of factors: <ul style="list-style-type: none"> • Pursuit of HIEP's policy priorities will likely still entail close working with Scotland Europa and with Scottish Government and other stakeholders in Scotland. • Our collective wider networks remain a valuable source of intelligence and policy influencing opportunities and there is still an opportunity to gain collective benefit from these networks. • HIEP is not resourced to engage proactively on more than a small number of priorities at any one time so it may be necessary to focus on a limited number of key priorities.
3.	Convention of the Highlands & Islands
3.1	Following the Convention of the Highlands & Islands (COHI) workshop in August 2016 on post 2020 strategy, the COHI senior officers group participated in a further workshop led by the Scottish Government on 1 February 2017 to look at a Highlands & Islands Regional Strategy. The process is now being led by the "region" with four priorities having been agreed. The priorities and "Priority Leads" have been identified as follows: <ul style="list-style-type: none"> • Digital, Energy and Transport Connectivity - Calum Iain MacIver (Neil Grant) • Education Research and Skills - Morven Cameron (Seonag Campbell) • Economic and Quality Employment Opportunities - Ishabel Bremner • Community - Donna Smith <p>A further a set of workshops will be held on 2nd and 3rd March to develop some of the detail around these priorities and it is anticipated that a more detailed report will be brought before the COHI Leaders meeting in Autumn 2017.</p> <p>It is therefore recommended that HIEP's priorities should mirror or indeed augment those defined by COHI and that HIEP also contribute some EU-specific information and intelligence regarding post-EU needs to COHI for inclusion in their regional strategy.</p>
4.	Proposed priorities for 2017
4.1	Mindful of COHI priorities HIEP would look to pay specific attention to the following areas; <p>Ensuring the right conditions for businesses¹ to thrive to include;</p> <ul style="list-style-type: none"> • Digital connectivity • Transport • Skills, education and research • Access to workforce • Direct support where required (e.g. CAP) <p>Maintaining the area as an attractive place to live and work whilst supporting our communities to include;</p> <ul style="list-style-type: none"> • Access to education and employment, in particular a viable rural economy • Social inclusion

¹ HIEP's focus should be on the key industry sectors of food & drink, energy, tourism, creative industries and life sciences

	<ul style="list-style-type: none"> • Supporting community development (e.g. LEADER) • Protection of the environment
5.	Next Steps
5.1	<p>In terms of European activity the priorities identified in section 4 above will guide the work programme for the HIEP policy officer and ongoing work with Scotland Europa. It will also influence work on existing programmes and in particular ongoing engagement with the Scottish Government to ensure we maximise the benefits that can be derived from European funding already allocated for Scotland and the Highlands & Islands.</p> <p>In addition, it is anticipated that there will be a continued and perhaps increasing need to gather and supply evidence related to existing and previous European work to be fed in to the consultations regarding the UK's exit from the EU and any replacement policies and programmes that may result from this.</p>
6.	Recommendation
6.1	The Board is asked to consider the approach and priorities outlined above and endorse the proposal for HIEP to concentrate its activities on these priorities for 2017.

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