

EUROPEAN AND EXTERNAL AFFAIRS COMMITTEE

MINUTES

Date: 30 January 2003
Time: 2.00pm
Venue: Committee Rooms 3 & 4, National Assembly Building

Attendance: Members

Tom Middlehurst (Chair)	Labour: Alyn and Deeside
Nicholas Bourne	Conservative: Mid & West Wales
Rosemary Butler	Labour: Newport West
Christine Chapman	Labour: Cynon Valley
Mike German	Liberal Democrat: South Wales East
Ieuan Wyn Jones	Plaid Cymru: Ynys Môn
Jonathan Morgan	Conservative: South Wales Central
Rhodri Glyn Thomas	Plaid Cymru: Carmarthen East & Dinefwr
Phil Williams	Plaid Cymru: South Wales East

Standing Invitees

Glenn Vaughan	Acting Director, Wales European Centre
Janet Davies AM	Committee of the Regions

Invitees

Mr Bitsios	Deputy Head of Mission, Embassy of Greece to the UK
Kirsty Williams AM	Chair, Health and Social Services Committee
Peter Kellam	Overseas & External Relations, Presiding Office

In Attendance

Phil Bird	European and External Affairs Division
Jackie Brown	Head of Unit, European Programmes
Gary Davies	Head, European and External Affairs Division
Claire Bennett	Committee Clerk
Lara Date	Deputy Committee Clerk

14.00- 14.05

Item 1

Introductions, apologies and declarations of interest.

1. The Chair welcomed everyone to the committee, in particular Mr Bitsios of the Embassy of Greece, who would be speaking to the Committee about his country's Presidency of the EU.
2. Apologies had been received from Christine Chapman AM and Rhodri Morgan AM, from the MEPs Jill Evans, Jonathan Evans, Glenys Kinnock, Eluned Morgan and Eurig Wynn, and from standing invitees Rose D'Sa, Councillor Jon Huish and Brian Curtis.

14.05 – 14.15

Item 2

Minister's Report

Paper: EUR-01-03(p1)

1. The Deputy First Minister made an oral update on his written report.
2. A delegation from the Uruguayan Parliament was visiting the Assembly that day and had met

with members.

3. The High Commissioner of Canada had visited on Wednesday 29th and the Welsh North American Business Community Committee had welcomed his desire for building stronger commercial links between the two Wales and Canada.
4. Commenting on Annex 4 of his report he noted that of the nine Assembly staff with placements in Brussels, three were in the Welsh Assembly Government office and one was a temporary appointment with the EC in Director General (DG) Administration. Five were on secondment: one in DG Employment, two stagières in DG Competition and DG Secretariat Général and two second secretaries working in UKREP on Institutions and State Aid and Information Society.
5. The Minister confirmed that he had attended the Agriculture Council meeting mentioned in his report.
6. The House Committee had recommended that a Presiding Office (PO) official be co-located with Team Wales in Brussels to provide European support to Assembly Members. There were a number of options for that representation. It was also proposed that the matter was something for discussion all Members and not just in House Committee. The Minister's paper on this would be circulated to the committee members.
7. The First Minister had been invited to chair a group in the Committee of Peripheral and Maritime Regions looking at regional policy in general as well as a working group on the Atlantic Arc, which demonstrated more exchange and involvement with that particular forum.
8. It was noted that the information provided by the Minister on the introduction of the Euro showed that the first year had been far less problematic than expected and that there seemed to be satisfaction amongst the public in countries using the Euro. The general perception of price rises after its introduction was not borne out by research and there was increasing use of the Euro outside the official Euro zone, for example in parts of the former Yugoslavia. The recommendation to discontinue dual display of prices was also noted. The full report was available to interested members.

Action point:

- The Minister would make available the paper regarding the proposal to place a Presiding Office official in Brussels to the committee members.

14.15 – 14.30

Item 3

Chair of Health and Social Services Committee

1. Kirsty Williams AM spoke to the committee about the European dimension of the work of the Health and Social Services Committee. The main points raised were:-
2. The consideration of the European dimension in the committee's work had not been as great as the Chair would have liked because of the committee's very wide remit. The Committee had drawn on the experience of other parts of Europe in their consideration of establishing a post of Children's Commissioner for Wales. The committee had considered the Philips inquiry report into BSE and the safety of food imports and had welcomed the strengthening of EU regulation

on labelling of beef imports to prevent unsafe meat products reaching Wales.

3. The committee had previously considered visiting Brussels to engage more with EU health issues, but had been unable to pursue it at the time. The possibility of a visit to Brussels was something the committee might consider again after the elections. It was also noted that there was a lot of merit in the rapporteur model - delegating one or two committee members to take up a particular issue in Brussels and then bring it back to the committee for debate.
4. Health Minister Jane Hutt had reported on her visit to North Karelia in Finland, and the innovative work being done there on preventing coronary heart disease (CHD). The high spending on health promotion in that area and the resulting benefits had encouraged neighbouring areas to follow suit.
5. The Health committee took its duty on legislative scrutiny very seriously, including legislation arising out of EU regulations, and received a monthly report on forthcoming legislation. So far the committee had not selected any legislation with a European dimension for detailed scrutiny. It was hoped that after the election the Members' Research Service could assist the committee in keeping up to date with EU health-related developments. It was noted that currently none of the members of the European and External Affairs Committee were also a member of the Health and Social Services Committee.
6. Members noted that Chairs of Subject Committees were not being informed of the EC forward work programme as a matter of course and that this should be done to ensure they were aware of work relevant to their subject.

Action point:

- The secretariat would forward the paper analysing the EC's forward work programme (paper 3) to all subject committee Chairs for their consideration.
- The Chair of the European and External Affairs Committee would write to the subject committee Chairs to encourage a more integrated approach to including European issues in their work programmes.

14.30 – 15.07

Item 4

Presentation by the Deputy Head of Mission of the Embassy of Greece to the UK, on the priorities of the Greek Presidency of the EU

1. Mr Bitsios, Deputy Head of Mission, spoke to the committee about his country's priorities during its six-month Presidency of the EU, which began on 1 January 2003. The main points of the presentation and following discussion were;
2. The main priorities were enlargement and its consequences; political reform of the EU; economic reform for prosperity and jobs; immigration/asylum and managing external borders, as well as external relations including managing the crisis with Iraq.
3. The treaty on enlargement would be signed in Athens on 16 April and accession would be on 1 May 2004. After Athens, acceding countries would attend all EU meetings as observers. There was also now a clear date for Romania and Bulgaria in 2007 and when Turkey fulfills the Copenhagen criteria it can also start accession negotiations. There were also several other

countries in the Balkans to which a clear indication should be given about the possibility of future accession, including Albania, FYROM (The Former Yugoslav Republic of Macedonia), the Former Yugoslavia, Croatia and Bosnia. Croatia is expected to make an application to join the EU soon.

4. The General Secretary of the Greek Presidency would be working hard to ensure successful talks on the future of Cyprus by the end of February in order for it to enter as a unified country into the EU. All sides had worked hard to find a solution in the run-up to the Copenhagen summit, and this would continue. The Greek Presidency was putting a lot of effort into securing a resolution of the issue. The Greek Foreign Minister was currently in Ankara holding talks with the Turkish Government.

5. In foreign policy:

- It was important not to forget the Balkans just because they had slipped off our TV screens.
- It was also important to improve the quality of dialogue with Russia and assist in its negotiations for World Trade Organisation accession.
- Close relations with the US were key, EU and US economies are both very significant - transactional trade and investment flows are \$1 billion a day and jointly they account for over 40 per cent of world trade.
- The peace process in the Middle East was another ongoing issue as was the need to forge a common position on the Iraq crisis. Greece would do whatever it could with the 'quartet' of four main players involved in the Middle East peace process. The road map is agreed and work on taking it forward could start once the new Israeli administration had formed.

1. It was noted that policy rifts could be seen to appear among EU Member States on foreign policy issues, and it was questioned how easy it was to reach a common position. It was suggested that until such time as the EU had common institutions and centralisation of the handling of foreign affairs there would never be a common position on certain issues.

2. Immigration, both legal and illegal migration, asylum, and protecting external borders were also priority issues. They were highly sensitive issues for all EU countries at the moment, and it was important to differentiate between asylum seekers, the skilled workers that were needed by EU countries and terrorism. A common policy approach was vital and these issues would be debated at a migration workshop in Athens in March. It was noted an increase in skilled and unskilled labour was important but should be legal; there was a need to combat trafficking in human beings; to harmonise the management of migration flows; to integrate legal migrants into our societies and exercise greater control over external borders. The geography of Greece, with so much coastline and so many islands did present real challenges for preventing illegal migration. Co-operation was key, including working with third countries, and six EU Member States had, for example, started common patrols in the Mediterranean.

3. Economic prosperity and jobs were a major concern. At the EU Council in Lisbon an ambitious 10-year agenda was set out "to make the EU the most competitive and dynamic knowledge-based economy in the world by 2010, capable of sustainable economic growth, with more and better jobs and greater social cohesion." Member states have considerable latitude in how to fulfill these policy goals but there is benchmarking for the European Council to monitor, and a list would be published of how successful countries have been. Three years after implementation there was an implementation deficit, for example in opening up the energy market, on anti-trust rules and an agreement on a 'single sky' over the Europe. The Greek Presidency would focus on

entrepreneurship and small business, especially in the promoting knowledge based enterprise. An EC Green paper was presented last week to further the agenda on entrepreneurship and an EC/ Greek conference would be held on 13 Feb in Thessaloniki to consider this issue. Implementing a Charter for small enterprises was an important part of the Lisbon agenda and last week the EU had adopted a package of documents outlining its policy approach to small and medium-sized enterprises. Greece would be supporting the development of policies on better access to finance, effective strategies for innovation and simplifying regulations.

4. Reforming the EU was essential – the current architecture was inadequate for 25 Member States. Debate was heated and interesting. From the Greek point of view the EU worked well because of the community approach, where the Commission proposed and the Council decided. Greece would be reluctant to see a slide towards becoming an inter-governmental organisation, for example through having an appointed President of the Council. Greece supported strengthening of the Commission and election of its President. It wanted to see the integration of the roles of the High Representative, Mr Javier Solana, and the Commissioner for External Relations, as currently one gives the money and the other handles the politics, which is difficult for third countries to understand. There was a need to simplify things and to abolish the 3-pillar system. No new EU institutions should be created, but the existing ones made to work, and Greece was therefore not very enthusiastic about the creation of a Congress of the People to add an extra layer. Those Member States that wanted to be involved in initiatives to strengthen European defence should be free to do so.
5. Greece and Wales both had an interest in the proposed reform of the Common Agricultural Policy (CAP). Greece had a high agricultural population and a lot of agricultural production, including from sheep. The Agriculture Ministers had recently discussed the latest CAP reform proposals to de-couple direct payments to farmers from production, to make payments dependent on health and safety standards (cross-compliance), and to increase support for rural development by modulation of direct payments, from which small farmers would be exempted. New rural development measures are proposed to boost quality production, food safety and animal welfare, and revise the market policy on arable crops, milk and rice. The proposed reforms had not been received enthusiastically by all in Brussels but change was an imperative. It was important to arrive at a serious position in time for the next WTO round of talks. Greece wanted to take these proposals forward and have a solution by June.
6. The Chair thanked Mr Bitsios on behalf of all the committee for his very interesting contribution.

The Committee decided to break from 15.07 – 15.30

During the break, members met with a parliamentary delegation from Uruguay who were visiting the Assembly under the auspices of the British Interparliamentary Union. Parliamentary Deputies Guillermo Alvarez, Arturo Heber Fullgraff and Jose Amorin Batlle, Mr Oscar Piquinela, Secretary of the Inter-Parliamentary Union, Uruguayan Group, Carlos Bentancour, Minister Counsellor of the Embassy of Uruguay and interpreter Ms Rosemary Luz, were accompanied by Jim Rodgers Penelope Vagg of the Inter-Parliamentary Union, British Group.

15.30 – 15.35

Item 5

The Copenhagen Conference

Paper: EUR-01-03(p2)

1. The Deputy First Minister introduced a paper informing the committee about proceedings at the historic Copenhagen European Summit, at which it had been decided to enlarge the Union from 15 to 25 member states.
2. He drew the committee's attention to paragraphs 13 and 14 concerning the Assembly's Enlargement Working Group. The group's membership had been declining and the Minister had asked it to consider whether its role and terms of reference needed to be changed. Decisions would be taken at the next Enlargement Working Group.

Action point:

- The Minister would report back to the committee after the Enlargement Working Group had met again and decided on its future.

15.35 – 15.40

Item 6

Analysis of the implications of the European Commission forward work programme

Paper: EUR-01-03(p3)

1. Jackie Brown introduced the paper, which had been requested at the previous meeting. All policy divisions had been asked consider the Commission's work programme and assess how it would impact of their Minister's portfolio.
2. Paragraph 28 of the paper referred to improving transport links, including the A40 in West Wales, and information was sought on whether there would be any EU funds coming to Wales to help with these improvements.

Action point:

- The committee secretariat would circulate the work programme to the new chairs of the subject committees appointed after the elections, requesting that they provide the European Committee with a note on how they expected to deal with the relevant areas that touched on their committee's work.
- In future, papers providing an overview of EU activity in particular subject areas would be circulated to the relevant subject committee.
- A note would be prepared explaining whether EU funding was available to support the development of a Trans-European road Network

15.40 – 15.55

CALRE: Brussels Declaration

Item 7

Paper: EUR-01-03(p4)

1. The committee considered the Brussels Declaration from Conference (of Presidents) of European Regional Legislative Assemblies (CALRE). Peter Kellam of the Presiding Office advised that the Brussels Declaration had been put forward at the recent CALRE conference attended by the Presiding Officer, and this was an opportunity for the committee to comment on it. The Declaration set out CALRE's response to the Convention on the Future of Europe.
 2. Members noted the distinction between the two very similar sounding bodies: the Conference (of Presidents) of European Regional Legislative Assemblies (CALRE) and Conference of the Presidents of the Regions with Legislative Powers (CLARE) known as RegLeg. RegLeg had also produced a declaration to the Convention.
 3. The two declarations were broadly similar, but there were slight differences regarding the right of appeal to the EU, and the process of that appeal, against proposed legislation that was not deemed in the interest of the member state or region concerned. However, CALRE and RegLeg had also produced a joint statement.
 4. The Deputy First Minister noted the enormous importance of the Convention on the Future of Europe. Wales was pursuing two options into shaping the Convention: one was through CALRE and the other was through influencing the UK Government's official position as an EU member state. The reason the First Minister was not in attendance at the committee was due to his involvement in concluding discussions with the UK Government on the latter.
 5. The official UK position was highly satisfactory to the Welsh Assembly Government and was welcomed by the committee. Three key issues were highlighted:
 - Ensuring direct consultation with devolved administrations before legislation is made through an addition to the proposed new Constitutional Treaty of the European Union;
 - Reinforcing the principle of subsidiarity – through a reference in the new Treaty specifically acknowledging the role of the regions;
 - Strengthening the Committee of the Regions to give it more punch in the Brussels policy-making machinery.
1. The committee welcomed the statement.
 2. The committee expressed their support for the Brussels declaration.
 3. The Chair noted that the Secretary of State for Wales, Mr Peter Hain, regretted that he was unable to attend the committee's meetings in the Spring term to discuss the Convention on the Future of Europe, but the committee would be able to feedback its views to the Minister through the Chair. The Secretary of State would also be meeting with the First Minister and discussing the issue with him.

Action point:

- The press release referred to by the Deputy First Minister would be circulated to committee members

for information.

15.55 – 16.13

Item 8

Report from Standing Invitees

1. It was requested that feedback on the work of the Committee of the Regions (COR) be considered as a separate item at future meetings.
2. Rosemary Butler and Janet Davies reported on COR activity: COR had not met since the last committee meeting – there would be meetings in February, March and May. The UK delegation had in Birmingham and had discussed how to develop better consensus in its approach and whether COR had delivered what the delegation wanted. The President of COR was looking at how to address the latter concerns with the administration of COR.
3. Rosemary Butler would continue to circulate COR opinion papers to the relevant Ministers and Chairs of subject committees. European Affairs Division officials were assisting in quickly obtaining advice from the relevant policy departments.
4. British Airways flights from Cardiff airport to Brussels had now stopped and this made it more difficult for those who needed to conduct EU-related business. Janet Davies hoped to raise this matter at a February meeting in Brussels where the capacity of European regional airports would be discussed.
5. Janet Davies had attended a meeting of the Committee for Territorial Cohesion Policy in Helsinki in December where little of the business had been relevant to Wales but it had provided an opportunity for discussions with other COR members.
6. Glen Vaughan of the Welsh European Centre (WEC) reported that WEC's two year business plan was now adopted. He noted the support of Welsh Development Agency (WDA), Education and Training Wales and a number of other organisations.
7. The Welsh Local Government Association and Welsh Assembly Government had advertised posts in Brussels.
8. WEC and the Welsh Assembly Government were in dialogue on the practical details of the planned hand-over to Welsh Assembly Government by 1 April. The committee welcomed the stabilisation of the situation and paid tribute to all parties for working towards a satisfactory solution. The efforts of the Deputy First Minister and the support of individual members was appreciated.
9. An extensive programme of activity was planned for 'Wales Week' in Brussels (3-7 March) to include WEC, Welsh Assembly Government, the WDA and the Welsh Tourist Board. The week would begin with a high profile reception in the European Parliament with the First Minister and Commissioner Kinnock speaking to key decision-makers. Four policy events were also planned around sustainability; focusing on health; information society; environment; and a sustainability framework. Cultural events were also planned. The involvement of MEPs and other key participants was not confirmed yet, and effort was being put into ensuring a clear balance of political representation throughout the week. The Chair urged members to attend a Wales Week event if it was possible within their schedules.
10. It was noted with regret that the committee as a whole would not be holding its 6 March meeting in Brussels, due to limited availability of members to travel to Brussels. The standing orders for

this committee do not permit substitutions and the Chair urged Members to ensure that they were able to attend the meeting on 6 March in Cardiff.

Action point:

- Reporting on the work of the Committee of the Regions would be taken as a separate agenda item at future meetings.
- The proposed priorities for the Committee of the Regions for 2003 would be circulated to the committee members.
- WEC would circulate the programme of Wales Week events to members as soon as possible, including details of the involvement of Welsh MEPs.

16.13 – 16.15

Item 9

Minutes of the Previous Meeting

The committee agreed the minutes of the previous meeting of 5 December 2002.

Item 10

Paper to Note

Paper: EUR-01-03(p5)

The committee noted the paper informing them of the work of the British Inter-Parliamentary Body.

The meeting closed at 16.15pm