

Committee on European Affairs

MINUTES

Date: 23 May 2001

Time: 9.30 am

Venue: Committee Room 3, National Assembly Building

Attendance: Members

Rhodri Morgan (Chair)	Labour: Cardiff West
Nicholas Bourne	Conservative: Mid & West Wales
Rosemary Butler	Labour: Newport West
Christine Chapman	Labour: Cynon Valley
Mike German	Liberal Democrat: South Wales East
John Griffiths	Labour: Newport East
Jonathan Morgan	Conservative: South Wales Central
Rhodri Glyn Thomas	Plaid Cymru: Carmarthen East & Dinefwr
Phil Williams	Plaid Cymru: South Wales East

Standing Invitees

Catherine Eva	Head of European Commission Representation in Wales
Jill Evans	Member of the European Parliament

Jos Gallagher Director, Wales European Centre

Officials

Jackie Brown Head of Unit, European Programmes

Des Clifford Assembly Office in Brussels

Gary Davies Head, European and External Affairs Division

Elisabeth Jones Senior Assembly Counsel, Constitution, Human Rights and European Team

Russell Keith Committee Clerk

Phil Mulraney Acting Deputy Committee Clerk

Agenda Item 1: Chair's Report

Paper EUR-02-01(p1)

1.1 The Chair welcomed everyone to the meeting. Apologies had been received from Assembly Members Ieuan Wyn Jones and Val Feld, Dr Rose D'Sa, George Wright, Councillor Jon Huish and Welsh MEPs Jonathan Evans, Eurig Wyn, Glenys Kinnock and Eluned Morgan.

1.2 The Chair introduced his written report:

- The Chair congratulated the European Commission Representation in Wales on its 25th anniversary on 9 May and noted that he had attended the celebrations.
- A number of senior European politicians and Ambassadors had visited since the last meeting of the Committee:
 - Jordi Pujol, President of Catalunya, visited Wales on the 6th and 7th of April, and signed a new Co-operation Protocol between Wales and Catalunya.
 - His Excellency Dr Bergquist, the Swedish Ambassador, visited the Assembly on 26 April.
 - The Dutch Ambassador, His Excellency Baron Vendinck-van-Schoonhaten, visited the Assembly on 17 May to discuss post devolution issues. His visit included meetings with the Chair, Edwina Hart, Jane Davidson and the Presiding Officer. In addition, separate meetings took place with Nick Bourne, Mike German and Ieuan Wyn Jones
- A visit has been planned for the Polish Ambassador, His Excellency Stanislaw Komorowski, on 1 June. This will coincide with a conference entitled 'White Eagle, Red Dragon – Poland and Wales: Partners in an enlarged EU', at which the First Minister will give a keynote

address.

- Of major importance will be the visit of the Belgian Ambassador, His Excellency Lode Willems, who will be attending the next meeting of the committee to discuss the priorities for the forthcoming Belgian Presidency of the European Union.

1.3 The European Commission held a second Forum on Economic and Social Cohesion on 21st and 22nd May. Mike German, Phil Williams and Christine Gwyther had attended on behalf of the Assembly. The discussion had covered both the opportunities and the potential threats presented by enlargement of the European Union. Although the discussion had covered a wide range of matters, of particular importance to Wales was the effect enlargement may have on the operation of Structural Funds. There was a need for the Welsh view on these issues to be articulated and heard. Mike German tabled a short paper on the outcome of the Forum. The following points were raised in discussion:

- There was a need to establish good strategic relationships with the existing regional tiers of government in Europe and with those countries which were candidates to join the European Union, especially those smaller nations with which Wales may share some common interests.
- In an enlarged European Union the operation of the principle of subsidiarity will be of greater significance.
- The current cap of 4% of GDP on structural fund receipts may have to be reviewed, as might the level of contribution of the relatively more prosperous countries. There was no detailed discussion of this at the Forum but the possibility of repatriating structural funds had been raised.
- Alternative measures and definitions might be used for the distribution of structural funds. Would the interests of Wales be best served by greater emphasis on thematic or territorial measures of deprivation? It was important to ensure that any new definitions should take account of Wales' population distribution and topography.
- Reform of the Common Agricultural Policy and the implications of the single currency were not specifically covered by European Cohesion Forum but were considered by the Committee to be of major significance for the cohesion agenda.
- The economic cohesion of current member states had improved. The poorer Mediterranean states and, in particular, the Republic of Ireland had gained a great deal of ground in relation to the European average. There had been some discussion as to the extent to which this could be ascribed to the structural fund programmes, or whether it was the result of other economic factors.
- Disparities of wealth within most member states had grown significantly, and it was pointed out that the United Kingdom now scored 33% on the index of disparity, against a European Union average of 11%. The UK now contains the greatest disparity of GDP per head of all European Union members.
- The role of Local Authorities and public bodies in formulating a 'Welsh angle' on these matters was deemed to be of great importance. They had built up a great deal of experience in utilising the European funding mechanisms.
- The Wales European Centre, along with the City & County of Swansea, are organising a report back meeting from the forum to take place early in June.

4. The Committee endorsed the proposal to establish a working group comprising Assembly officials, and representatives of the Assembly's partners in the local government, voluntary and business sectors to consider the Assembly's response to issues arising from European enlargement and cohesion. It was agreed that officials would bring forward draft Terms of Reference for this group for the 28 June meeting of the Committee.
5. Officials from the Assembly and the Wales European Centre had joined a twinning mission to Poland and Hungary between 23rd and 25th April to undertake a scoping study of possible twinning opportunities. Whilst it was acknowledged that participation in twinning projects would be part of an all Wales enlargement strategy currently under development, the resource implications would have to be examined.
6. There was a question as to whether it would be better to select as twinning partners areas which share common difficulties, for example, regions of Poland with a declining coal industry, or give priority to the issue of developing trade links with areas of greater prosperity. Officials will circulate a paper for information on the twinning programme.

Agenda Item 2: Future Activity of the Committee on European Affairs Papers: EUR-03-01(p2)

2.1 The Chair presented the paper, which outlined actions to be taken as a result of proposals discussed at the last meeting of the Committee and asking members to identify strategic issues which they would wish the Committee to consider and take forward. The following points were raised in discussion:

- It was important that the Committee be kept informed of the work of the European Commission. The Wales European Centre report provided to the last meeting provided a model of clear and focussed presentation which could usefully be followed by others.
- The importance of the Committee maintaining a strong relationship and regular contact with Welsh MEP's was emphasised. The proposal to hold at least one meeting per year in Brussels may not be adequate. The Assembly's Brussels Office could take a vital co-ordinating role in enabling MEP's to report issues and activities to the Committee. This may be a more efficient approach. Better use of information technology and video conferencing would also enable better involvement of MEP's in the work of the Committee.
- Des Clifford agreed to facilitate a written report on the activities of Welsh MEP's for each committee meeting.
- Committee meetings should be scheduled so as to avoid clashes with known commitments of all standing invitees, for instance the last meeting had clashed with a plenary meeting of the Committee of the Regions.

2. The Committee agreed to the proposals in the paper subject to the following provisos:

- It was confirmed that, in order to accommodate the system of rapporteurs, the membership of the European Committee should be changed, and if necessary enlarged, not that of subject committees.
- Inviting the Chair of each subject committee to attend the European Committee once a year to discuss the co-ordination of European issues might not be possible given the limits on

committee time. An effective system of rapporteurs might obviate the need for this. However, if the committees were to co-operate in an effective manner, it would be advantageous for chairs to attend.

2.3 In terms of strategic issues the Committee wished to include in its future considerations, sustainable development as it relates to the European context was considered a suitable subject.

Agenda item 3: Annual Report of the Committee on European Affairs

Paper: EUR-03-01(p3)

3.1 The Chair introduced the report, which would be presented to Plenary on 26 June as part of a debate on matters relating to the European Union.

2. The following points were raised in discussion:

- Greater clarity was required with the terminology used to describe, variously 'Nation State', 'Member State', 'Regional Tier' etc. The suggestion was made that Wales should describe itself as a 'National Region' within the European Union. The Chair had discussed this matter with Jordi Pujol in the course of his visit. Wales operates at the 'regional tier' within Europe, but considers itself a small nation within a large member state. The task of finding satisfactory wording would be undertaken by officials.
- Rose D'Sa had recently produced a paper on the implications of the European Charter of Fundamental Rights. Catherine Eva agreed to refer it to the secretariat for circulation to committee members.
- Elisabeth Jones reported that the European Court of Justice had made use of the Charter in a recent judgement, thus adding weight to its status.

2. The Committee adopted the Report.

Agenda item 4: Governance

Paper: EUR-0301(p4)

4.1 Des Clifford introduced the paper, which outlined some of the issues raised by the governance review of the European Union which had been set in motion by Romano Prodi, the President of the European Commission. So far, the discussion had been without any clear focus. Underlying it, though, was a sense that the Commission needs to re-invigorate its relationships with its partners – governments, regions, non-governmental organisations, civil society and the wider public. The prospect of enlargement also challenges traditional ways of doing business. There was a widespread feeling that the current system, which had not changed significantly since there were only six Member States, was unsustainable. The Nice summit had demonstrated this. A White Paper, 'Enhancing Democracy in the European Union', was expected in July, and the visit of the Belgian Ambassador in June would provide a good opportunity to discuss with him the direction this was likely to take.

2. The wider debate about 'The Future of Europe' runs parallel to the Governance project but was a broader and longer term one which would address issues leading to the next Inter-Governmental Conference in 2004. This may result in Treaty changes where necessary and where agreement can be reached. It is likely that there will be strong linkages between these separate but clearly related debates.
3. The following points were raised in discussion:

- This debate provides a good opportunity for the Assembly to get involved in clarifying the issues which European Governance raises for Welsh people. There was a need for people to feel more involved and to develop a greater understanding of European issues. The confusion over Objective 1 Funding and the low turnout in European elections indicates the failure of European institutions to engage with the public
- It may be that some sort of convention might be set up in Wales to look at the way in which the various institutions of the European Union relate to each other and to the people of Europe, and to look at areas where there may be a democratic deficit. This would enable the people of Wales to have a genuine input in to the debate.
- The Committee of the Regions currently has a minor role in these processes. There is little exchange of information with the European Parliament.
- There was some discussion as to whether the Assembly was currently making full use of all its opportunities to influence decision making in Europe, and the relative roles of the European Committee, the Assembly Cabinet and the UK Government in that respect.
- The Assembly's role in interpreting and enforcing European rules gives it a valuable contribution to make to the debate.

4.4 The Chair noted that the points raised could form a part of the Committee's discussions with the Belgian Ambassador in June.

Agenda item 5: Wales European Forum

Paper: EUR-03-01(p5)

1. Gary Davies introduced the paper which set out options for the future of the Forum. There had been two very successful and well attended meetings held in October 1999 and May 2000. Since that time, however, there had been no subsequent meetings, largely as a result of not being able to secure speakers of the appropriate calibre. The committee's views were invited on the options presented.
2. The following points were raised in discussion:

- The Forum had an important role in helping to establish an informed and impartial debate around European issues. The UK media does little to inform people about Europe.
- It also provides a useful focus for representatives of the business sector, voluntary sector and public sector to discuss matters arising from developments in the European Community such as enlargement.
- It was considered important that the Forum should also provide a mechanism for influencing

policy outcomes.

3. The Committee agreed that option 4 as presented (combining options 1 and 2 in the paper, but not option 3) represented the best way forward, combining large 'conference' style gatherings and smaller, more targeted meetings focussed on more specific issues and interests.

Agenda item 6: Conference of Peripheral and Maritime Regions and the Assembly of European Regions

Paper: EUR-03-01(p6)

6.1 Des Clifford introduced the paper, referring to presentations made at previous meetings on the work of the two organisations. Immediately joining both of these organisations would not be a cost-effective use of the Assembly's resources. However, it was considered that a more measured approach might be to join one of them, and use the experience to evaluate in practice what the benefits of such European networking might be.

6.2 On that basis, it was felt that the Conference of Peripheral and Maritime Regions (CPMR) provided better opportunities for Wales to take a meaningful role in the immediate term. It currently appeared to be better organised and had a clearer policy focus.

3. The following points were raised in discussion:

- There is a lack of clarity around the Assembly's membership of the various representative bodies in Europe (and that of Local Government), for instance the Congress of Local Regional Authorities. Alun Lloyd of the City and County of Swansea is a full member of the Local Authority Chamber, whilst Tom Middlehurst is an alternate member of the Regional Chamber. It was agreed that officials would produce a note for the next meeting setting out the representation of Wales at the various bodies.
- Future membership of the AER was in no way ruled out by the Assembly deciding to join the CPMR

3. The Committee agreed that the Assembly should apply for membership of the CPMR as soon as possible with a view to being presented as a new member at the AGM to take place in Oporto on 20/21 September 2001.

Agenda Item 7: Reports from Standing Invitees

1. Jill Evans reported that the 'Future of Europe' debate, along with the Charter of

Fundamental Rights, is the major issue currently facing the European Parliament. The issue of sustainable development, linked to the recently published report on the environment, would be central to the work of the Parliament over the next few months. In addition the Commission had published last week proposals on consulting and informing workers. This would result in legislation going forward which should help to retain jobs across Europe. This was particularly important in view of recent events in relation to Corus and job losses across Europe.

2. Catherine Eva said that the ongoing review of the Common Agricultural Policy would be of major significance for Wales. She reported that samples of Euro notes and coinage were now being issued to organisations representing people with sensory deprivation for trialling. She also informed the committee that the European Commission Representation in Wales would be moving to new office accommodation at Caspian Point, hopefully before Christmas. It was hoped that Romano Prodi would be able to open it officially in the New Year. Finally, the Wales European Information Network would be holding its Annual Conference in the Autumn. She expressed the hope that Assembly Members would be involved.
3. John Griffiths reported that there had been two plenary sessions of the Committee of the Regions since the last European Committee meeting. There had been a presentation on the new Internet site which it was hoped would improve accessibility to European information. Michel Barnier had given a presentation on enlargement and cohesion as it related to the future of structural funds. The general message was that cohesion policy should be supported by all for the benefit of all. Romano Prodi had also made a presentation on the future of the Europe. He had suggested that the Commission and the Committee of the Regions should work much more closely together than they had in the past. John Griffiths said there was a need to consider how best to use the Committee of the Regions. The feeling was that it has been under-used in the past, that it is a committee in search of a role. It was agreed that officials would produce a paper for the meeting after next to look at the issue of how to extract maximum value from our membership of the Committee of the Regions.

Agenda Item 8: Minutes of Previous Meeting

Paper: EUR 02-01(min)

1. Members agreed the minutes of the last meeting with a minor amendment.
2. John Griffiths queried the logistics of including a report on the activity of the Committee of the Regions in the Committee's Annual Report. It was agreed that he and Elin Jones would produce a collaborative effort.

Points for further action or consideration

Working Group on Cohesion

Interim Report on terms of reference to be made to the Committee from the working group on cohesion for 28 June meeting.

Twinning

Officials to circulate a short note to members on this.

MEP's reports

Des Clifford agreed to facilitate a report on MEP's activities between committees.

Annual Report

Officials agreed to define consistent terminology for describing Wales' relationship to various levels of European Institutions.

Charter of Fundamental Rights

Paper by Rose D'Sa's to be circulated to members

Representative Bodies

Officials agreed to produce a paper clarifying Wales' representation in various European Fora

Correspondence from Chair

Chair to write to:

- Business Committee requesting membership from all subject committees and amendment of standing orders to allow, with agreement, consideration of matters within the remit of a single subject committee and extension of the Committee's remit to include external affairs
- Panel of Chairs requesting appointment of rapporteurs and reports on European issues in progress reports

Report on European Commission's work programme

First Minister to report the work programme of the European Commission noting issues of potential significance arising from the programme falling within the responsibility of each Assembly Minister

Meeting with Subject Committee Chairs

Secretariat to invite subject committee chairs to attend a meeting a year

Brussels meeting

Secretariat to explore options for meeting in Brussels

Presentation on Sustainable Development

Officials to prepare a paper on issues relating to sustainable development in the European context for a future meeting.