



Cynulliad Cenedlaethol Cymru

The National Assembly for Wales

Y Pwyllgor Materion Cyfansoddiadol a Deddfwriaethol

The Constitutional and Legislative Affairs Committee

Dydd Llun, 18 Tachwedd 2013
Monday, 18 November 2013

Cynnwys

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynndi yn y pwyllogor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllogor yn bresennol
Committee members in attendance

Jocelyn Davies	Plaid Cymru (yn dirprwyo ar ran Simon Thomas) The Party of Wales (substitute for Simon Thomas)
Suzy Davies	Ceidwadwyr Cymreig Welsh Conservatives
David Melding	Y Dirprwy Lywydd a Chadeirydd y Pwyllgor The Deputy Presiding Officer and Committee Chair
Eluned Parrott	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Joyce Watson	Llafur (yn dirprwyo ar ran Julie James) Labour (substitute for Julie James)

Eraill yn bresennol
Others in attendance

Michael Gilmartin	Cyfreithiwr, Llywodraeth yr Alban Solicitor, Scottish Government
Fiona Hyslop	Aelod o Senedd yr Alban, Ysgrifennydd Cabinet dros Ddiwylliant a Materion Allanol, Llywodraeth yr Alban Member of the Scottish Parliament, Cabinet Secretary for Culture and External Affairs, Scottish Government
Dr Hywel Ceri Jones	Cadeirydd y Bwrdd Cyngori Allanol, Canolfan Llywodraethiant Cymru Chair of the External Advisory Board, Wales Governance Centre

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Stephen Davies	Cynghorydd Cyfreithiol Legal Adviser
Gwyn Griffiths	Uwch-gynghorydd Cyfreithiol Senior Legal Adviser
Ruth Hatton	Dirprwy Glerc Deputy Clerk
Dr Alys Thomas	Gwasanaeth Ymchwil Research Service
Gareth Williams	Clerc Clerk

*Dechreuodd y cyfarfod am 13:30.
The meeting began at 13:30.*

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datganiadau o Fuddiant Introduction, Apologies, Substitutions and Declarations of Interest

[1] **David Melding:** Good afternoon, and welcome to this meeting of the Constitutional and Legislative Affairs Committee. I have received apologies from Julie James and Simon Thomas, and am pleased to welcome Joyce Watson and Jocelyn Davies as substitutes. You are both very familiar with our work and have substituted before, so we are very pleased to see you here this afternoon. I will make the usual housekeeping announcements. We do not expect a routine fire alarm, so if we hear the alarm, please follow the instructions of the ushers, who will help us to leave the building safely. Please switch off all electronic equipment completely; even on silent mode, they interfere with our broadcasting equipment. These proceedings will be conducted in Welsh and English. When Welsh is spoken, there is a translation on channel 1 of the headsets; channel 0 will amplify our proceedings.

13:31

Offerynnau nad ydynt yn Cynnwys Materion i Gyflwyno Adroddiad Arnynt o dan Reolau Sefydlog 21.2 neu 21.3 Instruments that Raise no Reporting Issues under Standing Orders 21.2 or 21.3

[2] **David Melding:** There are just two issues listed there. Are there any comments, or are we content just to note those? I see that you are content to note them.

13:32

Offerynnau sy'n Cynnwys Materion i Gyflwyno Adroddiad Arnynt i'r Cynulliad o dan Reolau Sefydlog 21.2 neu 21.3 Instruments that Raise Issues to be Reported to the Assembly under Standing Orders 21.2 or 21.3

[3] **David Melding:** We have affirmative resolutions that both relate to council tax regulations schemes. They describe requirements and then the default scheme. There is a long history to council tax regulations. Last year, we issued a report that said that the whole way it had been handled was less than perfect, and that there needed to be more co-ordination between the Welsh Government and the UK Government when such issues arose. We said that, if necessary, this committee, because of the detail involved, should get sight of draft regulations if the final version was not likely to be ready until pretty much the date when they needed to be laid. So, with that in mind, this set of regulations needs particular attention, and I am very grateful to the team of lawyers. We used to be visited by a forklift truck—it was needed to carry the regulations into our offices; it is a huge body of work—but as a result of two or three weeks of pretty constant effort, we now have short, focused reports to lay before the Assembly, or drafts of the reports. So, with that introduction, do Members have any views on the reports that we intend to make?

[4] **Jocelyn Davies:** If I may, Chair, the conclusion is that the regulations are very difficult to read and understand, even for lawyers, and I think that this area is often something that could be challenged in the courts by affected individuals. So, having everything as neat as possible is important, as is having regulations that can be used by professionals. Perhaps you would not expect members of the public to make their way through these very detailed and

technical regulations, but they have to be useable by professionals. I think that we should strongly focus on that aspect and, perhaps, reinforce that aspect. It would be nice if they were useable by the public, but it does not seem that that is going to be possible. Certainly, I would be gravely concerned if professionals had difficulty with the regulations.

[5] **Joyce Watson:** I would support what has just been said, quite frankly. If we are going to issue regulations, clarity is important and essential, and it is going to have to be taken forward in any case. If a lack of clarity or understanding, or legal jargon—or whatever it is that is getting in the way—can be avoided, that can only be a good thing. Therefore, I would agree.

[6] **David Melding:** I will make these comments—I think that I will have to speak in the Plenary debate. We will be making some comparison with the position in England, because, in fairness to the Government here, I think that we will find that the English regulations are equally impenetrable. Therefore, I will seek to make those wider comments, if they are relevant. However, we are not here just to do exactly what has happened, and the accretions in these regulations, over 20 years now, have obviously led to some really weird anomalies and definitions, and lack of definitions, quoting defunct instruments, and even law. Gwyn wanted to say something on this.

[7] **Mr Griffiths:** Yes, I wish to make two points. First, they are not making regulations in England this year—they were made the same time as ours last year. However, ours have a sunset clause, and so we have to remake them—they do not in England. In England and Wales, these will be followed by regulations that uprate some of the figures, and they will be fairly short.

[8] The one thing that I did want to draw to your attention, which I have looked at since the report came through, was the history of these things. I have the Council Tax Reduction Scheme (Wales) Regulations 1999 here, which are eight pages long. It should not be beyond the wit of someone in the Government to produce something comparable—I am not suggesting eight pages, because, obviously, they are bilingual now.

[9] **David Melding:** We do not give bonuses, Gwyn, but you deserve a bonus for spotting that. That really is quite telling.

[10] **Jocelyn Davies:** As politicians, we sometimes focus on the amount of money that is going into something. However, those regulations are eight pages long, and, what do we have here—250-odd pages, in each of these, and then it is translated. Sometimes, you can get into so much detail that you make things so complicated that no-one understands it, and, sometimes, simpler is better.

[11] **David Melding:** I will have a good visual in the debate now—I can attempt to lift up the full regulations, and then say, ‘Or we could have had this’. [Laughter.] That is astonishing; well done for spotting that.

[12] There was another merits point that relates to how income from capital is calculated. I think that it is important that we draw attention to that. Again, I think that this is definitely something that has been inherited on, at least, an England and Wales basis—and possibly a UK basis. I think that it goes back a long way, probably to the National Assistance Act 1948, and the way that, over the decades, capital has been treated. However, to assume income of between 10% and 20%—I am sure that we would all like that interest rate, if we could find it—is something to be aware of, and if we were doing things differently, one of the options could be to treat capital more realistically. However, that is a policy matter for the Government, but we do draw it to its attention.

[13] Therefore, are we content to agree the reports? I see that we are. Thank you very much.

13:38

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod

Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting

[14] **David Melding:** I apologise to members of the public that we are now going to go into private session, if the committee agrees. We will then come out of private session and go back into public session, when we conduct the next stage of our inquiry into Wales's voice in the European Union. Normally, we would have sought to have done the private work right at the end, and would not have inconvenienced people, but, on this occasion, it was not possible.

[15] I move that

the committee resolves to exclude the public for the duration of the next item in accordance with Standing Order No. 17.42(vi).

[16] I see that the committee is in agreement.

Derbynwyd y cynnig.

Motion agreed.

*Daeth rhan gyhoeddus y cyfarfod i ben am 13:39.
The public part of the meeting ended at 13:39.*

*Ailymgynullodd y pwylgor yn gyhoeddus am 14:04.
The committee reconvened in public at 14:04.*

Tystiolaeth Ynghylch yr Ymchwiliad i Rôl Cymru ym Mhroses yr UE o Wneud Penderfyniadau

Evidence in Relation to the Inquiry into Wales's Role in the EU Decision-making Process

[17] **David Melding:** Good afternoon, everyone, and welcome back to this meeting of the Constitutional and Legislative Affairs Committee. We are now back in public session for item five, which is evidence in relation to the inquiry into Wales's role in the EU decision-making process. I am delighted to welcome Fiona Hyslop, Member of the Scottish Parliament and Minister for Culture and External Affairs in the Scottish Government. We are talking via video link to Edinburgh. Minister, I thank you most sincerely for giving your time to help us in this inquiry. We very much look forward to the evidence that you will be giving this afternoon.

[18] I start by asking a very general question. From your experience, as the Scottish Minister with responsibility in these areas, how do you view the current structures between the UK and the devolved Governments to discuss European affairs, particularly at ministerial level in the Joint Ministerial Committee on Europe? We will go into some detail on specific aspects, so can you give a general overview of how the Scottish Government sees the integrity and robustness of the structures at the moment?

[19] **Ms Hyslop:** Thank you for inviting me to give evidence as part of your inquiry into

Europe and relations across the UK in terms of the devolved administrations. I am not sure whether your camera is capable of adjustment, but it would be quite nice to be able to see your faces when I am giving evidence; I am sure that your technicians will try to adjust that.

[20] You asked for a general overview of the relationship. Obviously, since the Parliament was re-established and reconvened in 1999 with the devolved administration, relationships have evolved. Have they improved? I think that the answer is ‘yes’. Are they as capable as they should be? Probably not. However, I think that there is an attempt and a willingness to make the system work.

[21] Quite clearly, in terms of our responsibilities, because we have policy and legislative responsibilities in a whole range of European areas, it is critically important that we have a good relationship with Europe. In terms of the Scottish Government’s position, we very much see the importance of our relationships with the European Union; whether it is directly or via the United Kingdom, it is important that those views can be expressed.

[22] It is interesting to think about this, as an overview, in terms of time. Of course, there was a period when the Joint Ministerial Committee system itself was not functioning as properly as it should do, for understandable reasons. However, it was the Joint Ministerial Committee on Europe that was the one committee that kept meeting and had constancy about it, even in the period where the other elements were not meeting.

[23] In terms of the Joint Ministerial Committee on Europe, again, it has changed, depending, I think, on the political complexion of the relevant Governments. There was a period under devolution when there was a Labour Government at the United Kingdom level and at the Scottish Parliament level; therefore, the institutional relationships did not necessarily need to be as robust, because there was a party relationship that could ensure that issues were communicated.

[24] I think that in 2010, quite clearly, there was a bit of a sea change for a number of reasons, not least because around the table, across all of the devolved administrations and the United Kingdom, you had different political groupings. It was, therefore, really important that the institutions worked. That is where I think that the important element is. I think that the refocusing that William Hague and David Williamson brought to the Joint Ministerial Committee on Europe was helpful. We agreed, collectively, that we should be using the committee to think forward to some of the hot topics and engage in horizon scanning.

[25] A theme that I am sure we will come back to is that early intervention is really important—early communication and identification of issues. I think that that refocusing in 2010 was helpful. It has evolved over time, for understandable reasons. Can it be improved? I think that it can. I think that continuous improvement is always an element of governance and government. I hope that that has been helpful to give you an overview of where I see things now.

[26] **David Melding:** That really is most helpful in setting out the general picture. It touches on elements that have been raised in evidence by other witnesses as well, so it is something with which we are very familiar.

[27] My second question leads on to what you concluded with there, and that is the working of the Joint Ministerial Committee on Europe, and how this relates in general to the concordat on co-ordination of European policy, which commits the UK Government to providing upstream opportunities to allow the devolved administrations an input into policy formation. I think that this relates to the hot topics that you referred to. Given that once the line is decided, it is negotiated as a distinct line that does not vary at the European level, do you feel that these upstream opportunities are robust enough to allow for the expression of

your particular interest in Scotland in relation to some aspects of what ends up being a UK approach in the Council of Ministers?

[28] **Ms Hyslop:** My answer to that is, ‘Yes, they can be, but that is not always the case’. There will be variation between different Whitehall departments and different Ministers. In terms of the current UK Government, leadership came from William Hague and David Lidington in setting out an opportunity across Whitehall departments for them to conduct horizon scanning to identify key issues of import to UK interests, in advance. The individual departments in Whitehall were responsible for liaising with the individual departments in the Scottish Government to ensure that that input was there. When it works, it can work well. However, it is variable across the piece, depending on each individual department.

[29] I will give you an example. On justice and home affairs, because Scotland has its own legal system—I understand that the United Kingdom is the only member state with two separate and distinct judicial systems, and the Scots law system is quite distinct—there has been greater sensitivity from Whitehall in understanding the need to always liaise with Scotland because of that. So, justice is a good example where there has been upstream engagement and the identification of issues because there was more awareness of Scotland’s needs being distinct and different, and needing to be responded to. That can vary from department to department. I also suspect, although I am not sure what evidence you are taking from UK Government witnesses, that you would find that, for their own purposes in identifying key issues for European matters, it would vary among individual departments as to how good that is.

[30] Upstream engagement is absolutely essential to identify whether there are issues of agreement, consensus or, in some cases, disagreement. We fully understand that, once the UK line has been agreed, that is the position that is put forward at the Council of Ministers, whatever Minister happens to be speaking on behalf of the UK at that time. So, it is absolutely essential that the upstream identification of issues and negotiation is done earlier on. I cannot give you a one-size-fits-all view of how well that works because it depends on each individual department.

[31] **David Melding:** That is very helpful indeed. I sense that, when UK departments are up to speed on these things, the system is pretty robust, but there is an inherent weakness so that, sometimes, the upstream discussions will not be taken forward by departments that are perhaps less aware of differences that may occur between different parts of the UK because some issues that have an EU significance are devolved in the UK. So, where would you say that the Scottish Government is, on balance? Do you think that the system works, with occasional failures, or is it a system that is not very robust, but occasionally can be made to work by departments that really get the need for upstream consultation?

[32] **Ms Hyslop:** I think that it can work, and I think that it does work, by and large. Would we like our view to be represented more within the UK final negotiating position? Well, that is political. We are looking at the systems here. There are systems that can operate. I would not want to say that this is a dysfunctional system by any means. I think that it can work and that it does work on many occasions.

[33] The real tensions come when the negotiated position is in flux at the time of the Council of Ministers. That is more acutely sensed, for example, in the issues around DEFRA, the issues around fishing and the issues around agriculture, where you have real live-time negotiations taking place. Unless you have your Minister in the room, you are not necessarily going to be able to have input into any changes that are going on. One of the areas of the concordat that we have improved, which was just agreed at the last joint ministerial committee plenary, which was chaired by David Cameron—I attended that on behalf of the Scottish Government along with our First Minister—was the changes about representation

and speaking rights at these councils, and that system has improved.

14:15

[34] However, the key area where you really want to make sure that you have an opportunity to influence is where deals are being struck, quotas are being decided and things are happening as you speak, for example, during the annual fisheries negotiations et cetera. That is where I think that some of the tensions and frustrations can come to bear, by and large because the policy issues would be at odds, not necessarily the system. If you cannot have your Minister in the room at the time, either because of space or because of the political view of the UK Minister not wanting somebody there, then that is where you can get your tensions. I suspect that that is the most problematic area, for understandable reasons that are as much to do with policy differences as anything else. I do not want to necessarily say that the system is at fault here; it is because you have different views and opinions around the table as to what you want to pursue, particularly in the areas around agriculture and fisheries, which I think is a prime example.

[35] **David Melding:** Thank you very much for that response and my colleague Jocelyn Davies would like to ask a supplementary in this area.

[36] **Jocelyn Davies:** When you mentioned the upstream opportunities and the importance of early engagement, I wondered between whom that engagement takes place. Is that generally at official level at that point or would that be between Ministers?

[37] **Ms Hyslop:** Initially, it would be at the level of officials but, obviously, if our officials identified something that was a key political concern to Ministers, they would alert us to them and likewise within the UK. So, if it can be resolved at ministerial level, that is where that discussion should take place, but initially the upstream would be the scoping of the issues. I think, to be fair, the most recent UK Government—the coalition Government—has been better at setting up systems to do that quite methodically in terms of upstream identification. Obviously, if there are issues that need to be resolved by Ministers, that should be done department Minister to department Minister, so, for example, the Minister for justice to the Minister for justice. By the time that it comes to the JMC Europe, for example, the issues that should be discussed there are the ones that would have an implication across governments and would have the potential to either enhance or cause difficulty to full relationships. So, really, we are dependent on the upstream engagement initiated by officials and, secondly, within departments—Minister to Minister—and if things are working well, it should not ever get to the stage where it needs to be addressed as a problem, a complaint or an issue at the JMC Europe.

[38] **David Melding:** Minister, in this architecture do the Secretary of State for Scotland and the Scotland Office have any distinct role? Do they help to ensure, for instance, that the upstreaming is taking place, particularly with departments that are not so familiar with issues that require this level of discussion? You talked about the administration of justice earlier and dealing with departments that are very aware of the two judicial processes that we have in the UK. Is there any role for the Scotland Office in ensuring that the rest of the UK departments are up to speed?

[39] **Ms Hyslop:** I will say this as politely as I can. I think that it depends on the capability and ability of the individual Secretary of State for Scotland. I have had experience of a number of different secretaries of state for Scotland. I do not think that it is necessary. I think, sometimes, that it can cause difficulty. It depends on the nature of that person and what that individual can bring to bear. For example, our current and most recently appointed Secretary of State for Scotland, only a few years ago, argued for the abolition of the post of Secretary of State for Scotland. There is, potentially, an issue of too many cooks spoiling the broth, to use

an expression, if too many people get involved. If you have a good relationship between your UK Minister and your Scottish Minister, or in your case your Welsh Minister, that one-to-one dialogue should be of benefit and you should be able to pursue that. In terms of the role of the Secretary of State for Scotland in European matters, in my position as a Minister since 2007, I have seen very little role or function within that.

[40] **David Melding:** I sense that you feel that there is elegance in having as simple a system as possible, and that the Scottish Government to the UK Government as a whole is likely to be to be a better foundation for clear arrangements rather than any intermediary. Is that right?

[41] **Ms Hyslop:** I know that we are talking about the devolved set-up now, but I think that I would like it to be even simpler, with a direct arrangement with the European Union. However, I know that that is not the subject for today—Scottish independence is not the subject for today. Within the devolved administration that is set up now, the simpler route is probably the best one. It depends on what the Government of the day sets up as its management system. Again, your UK counterparts will be able to give you more information on this than I will, but I have noticed that the tighter Cabinet control under the current administration, particularly in relation to the co-ordination of devolved administrations, is probably a benefit. Again, that is how the UK Government manages its own affairs. Similarly, within our Government, as compared with the previous administration we have tried to take a more co-ordinating role across Government, as well as in different departments across Europe, to try to help to support that. We have to separate what is the administrative system that has been set up through the bureaucracy that exists, including the memorandum of understanding and the supplementary agreements—which, by and large, are fit for purpose, are there and can function—and the difference that individual Ministers, or the character and culture of the individual department in Whitehall, can bring and, indeed, the different types of Government administration and what they bring to the table. These have all varied at different points in time over the last period, since the devolution settlement of 1999.

[42] **David Melding:** Finally, Minister, I wonder what influence the Scottish Government has on the preparation of the explanatory memoranda on EU policies, particularly the ones that affect Scotland. Do you issue your own memoranda or do you influence the UK's memoranda?

[43] **Ms Hyslop:** They identify with us and send all the explanatory memoranda to us. That serves two purposes. One goes back to the point about upstream engagement to identify the things in which we need to be heavily involved and quickly, because of their content. The second relates to subsidiarity and whether it contravenes devolution or at which point it should be agreed. Before 2011, we certainly worked with the Scottish Parliament in particular, because it has responsibility in this area as well, in looking at whether there was a contravention of subsidiarity. We have set up what we hope is a good system of working. It is hard and pressured, I know that, but it is necessary. We are working through the process now to see if it can be improved. We had an incident fairly recently that caused us difficulties, mostly, as I understand it, because of differences of opinion within the UK Government between the Conservative and Liberal Democrat parts of the UK Government, which meant that we received things late. Receiving things late causes difficulties and time pressures, particularly if you have to subsequently take a motion to the Scottish Parliament. By and large, a system has been established and, yes, we engage with it, but it is probably fair to say that we are watching to see how it progresses.

[44] **David Melding:** I will ask Jocelyn Davies to take us through the next area of questioning.

[45] **Jocelyn Davies:** You mentioned that, on the whole, you feel that relationships with

different UK departments can be good, but that it depends on certain factors and varies from department to department. You mentioned that there might be some historic reasons for that. Is any of that related to personalities?

[46] **Ms Hyslop:** To some degree, yes. I think that there are probably three things: the history of that department, the policy area—dealing with the controversy of it or not—and the individual Minister. If you take the historical aspect, one of our better relationships is with the Foreign and Commonwealth Office. I think that, historically, it is used to dealing with different governments and administrations at different levels. It is very clear, focused and professional about its work at all levels and I would like to compliment it on that. I mentioned the justice area, in particular because we have a distinct justice system, and that is also an area where we probably have one of the more effective relationships, even if we disagree with policy elements. So, for example, in relation to concerns about an opt-out, the European arrest warrant and the concerns that it had about how the UK Government has gone about the justice issue. We have still managed to work in a very good way with it, even if we have concerns about the policy content.

[47] I mentioned that one of the relationships that is most problematic is agriculture and fisheries. The most frustrating thing is that we have a rural affairs Minister, Richard Lochhead, who is now the most experienced of all of the Ministers of all of the different devolved administrations and the UK Government. He has been in that post for six years and he is extremely knowledgeable about it. I have mentioned previously that because there are policy differences sometimes with the UK Government, it makes the relationship there more acute than ever. Therefore, the relationship with the UK Minister is more acute. I suspect that—and, again, I am trying to be diplomatic in saying this—the current UK Minister has a challenge in making sure that his relationships are maintained and are appropriate, because it is a critical area of potential disagreement. Therefore, it is more incumbent on that Minister to go out of their way and engage, and perhaps other Ministers with that portfolio have been more acute and sensitive to the needs of devolved administrations than the current holder.

[48] **Jocelyn Davies:** If we put fisheries and agriculture and the challenges there to one side, you mentioned earlier the importance of early engagement with UK departments in order to influence the policy position. How early on—apart from in fisheries and agriculture—is a policy position taken?

[49] **Ms Hyslop:** In terms of the processes of this, it should be dealt with long before there is any—. As the Minister responsible for European affairs, I do not necessarily get copied into the policy positions that have been developed between the UK and Scottish Governments. In terms of the time frame, there is normally adequate time for policy decisions. The real issues are when they are live negotiations, or changes of position, at council meetings. That is the real challenge.

[50] An area that I think I should also bring to your attention is that sometimes it is easier when things are clearly devolved, or clearly reserved; it is easier to have an understanding of who should be doing what when. The real challenging areas are when you have issues that can be a mixture of both, as that can cause real difficulties. An example—not that this is necessarily a European issue, but it could be—would be international students, and benefits or visas for international students. On the one hand, you have educational interests, and you may have health interests, for example in relation to the levy—and this is for non-EU students, as it happens. You perhaps have a health levy and health is devolved, but visas are reserved, and you have education, which is devolved. Those issues that can touch on different areas of devolved and reserved matters issues are probably the most problematic, and sometimes, these things are not identified until much later on.

[51] **Jocelyn Davies:** Thank you. Has the Scottish Government been involved with the

UK Government's review of competences?

[52] **Ms Hyslop:** Yes, we have. That was subject to discussion at the joint ministerial committee, as to what the role or relationship would be. We chose to accept; we think that that is in the terms and spirit of the memorandum of understanding, but we do so quite clearly on the basis that we do not agree with the current Conservative position of a referendum on membership of Europe. It has been made quite clear, and I have clarified it a number of times at the JMC of Europe to make sure that the UK Government clarifies that the competences were not resolved in a policy position being put forward by the current UK Government. However, the information that is provided as a result of competences could help to provide information for manifestos for political parties for a future UK Government. As you know, there are different points of views and opinions within the UK Government, so we are co-operating in terms of providing information. We have responded to the first two semesters; we have made it quite clear that, in our view, Scotland does benefit from the European Union. We have set that out in a number of areas. Where there is room for improvement, we have identified that, particularly those areas that would comply with the European Union's REFIT programme. Perhaps there are some environmental issues, but we would be very concerned indeed if the review of competences was used in such a way as to undermine either the UK or indeed the Scottish relationship with Europe.

14:30

[53] **Jocelyn Davies:** Thank you. There is just one last question from me, which is about your relationships with the other devolved administrations. To what extent has the Scottish Government been able to co-operate with the Welsh Government and the Northern Ireland Government as opposed to the UK Government?

[54] **Ms Hyslop:** Sometimes, clearly, identification of issues is important because some of those issues will coincide. Some of them might be competing, but it is very helpful to get a sense of how other administrations are dealing with issues. Before joint ministerial committees of Europe, I try to bring together the different administrations to identify whether there are any common lines that could be pursued on certain issues, or to identify whether there is some friction between us so that we are at least aware of each other's interests going forward. An interesting example arose more recently on structural funds where, clearly, the UK's positioning is of concern to all of us, but each administration had a particular interest to pursue. I think that we managed, therefore, to present a collective case. Also, Wales can pursue its issue, as can Northern Ireland and Scotland. There are some issues like the Peace IV programme for Northern Ireland et cetera. We had no hesitation in helping to argue in support of our devolved administration colleagues because of the importance of that issue, but we tend to leave the advocacy of individual countries' issues to the relevant administration. However, there are examples where we can try to harness our collective common interest on some areas where appropriate.

[55] **David Melding:** Thank you, Minister. The next set of questions will look at UKRep and the involvement of devolved Ministers in the Council of Ministers in Europe. I will ask Joyce Watson to take us through those questions.

[56] **Joyce Watson:** Good afternoon. My first two questions are, really, on the relationship with UK representation. Could you make any comments on the Scottish Government's relationship with UKRep?

[57] **Ms Hyslop:** Clearly, UKRep is there to represent the UK Government and the devolved administrations when we are in Brussels, and particularly in advance of the Council of Ministers. Usually, when I have been attending a Council of Ministers meeting with the UK Government there are sessions for preparation before the Council of Ministers meeting so

that we have a common understanding of the issues that we are pursuing. Therefore, it can be constructive and cordial, which is how it should be.

[58] **Joyce Watson:** I will just explore whether you feel that the need to maintain goodwill with the UK Government Minister and officials places any restraints on how the Scottish Government conducts itself in Brussels.

[59] **Ms Hyslop:** It can do. One of the biggest frustrations, which has led to the changes that we have just seen agreed in October on the memorandum of understanding, is in relation to participation in Council of Ministers meetings. There have been occasions where the UK has been empty chaired for a variety of reasons—for example, the UK Minister may have had to leave. Therefore, what has happened is that UK representation—the permanent representative—has taken the seat as opposed to a very experienced Minister who could have taken the position. You have to bear in mind that whoever speaks on behalf of the UK Government, whether it is the UK Secretary of State or a Welsh or Scottish Minister, they have to speak to the agreed UK line. So, there should not be an issue about a Scottish Minister taking that seat. Perhaps that might be where there are some issues, and that sometimes it is the officials in UKRep that will be less willing to have a Minister from another administration taking the position for the UK Government as opposed to the Scottish Government. That is frustrating.

[60] **David Melding:** Perhaps I could just bring Jocelyn in on the wider issue of how lobbying goes on.

[61] **Jocelyn Davies:** We get the impression that lobbying is extensive on a European level, and I wondered whether you could explain your interaction there with lobbyists and how that might influence what happens with the UK delegation, you, and those outside influences.

[62] **Ms Hyslop:** Clearly, going back to my previous point on UKRep in terms of the lobbying that it has and whether it should lobby on our behalf for certain issues, for example, we would expect that to happen. Again, because of what has happened in my portfolio on the culture side of the brief, I am not quite sure how much it does for us in that area. We extensively use the different opportunities that are available in Brussels; we have a base and an office in Brussels at Scotland House, and we use every opportunity to lobby locally to ourselves. However, I think that your question seems to imply that there is a point of access for others to lobby us, but, clearly, if it is the UK Government and UKRep that are the key influences, I suspect that they are more likely to do that through them than necessarily the Scotland office in Brussels.

[63] **David Melding:** Joyce, we are back with you.

[64] **Joyce Watson:** In going back, we are moving on to Scottish Ministers in the Council of Ministers. So, we are moving on to that now. Do you want to add anything or comment on your experience of participating in the Council of Ministers?

[65] **Ms Hyslop:** Again, I suppose it is variable. We are currently monitoring the attendance and speaking of devolved administrations, and this is at my request, across the jurisdictions and the UK Government, to see what the experience is. I have personally, when I have requested to attend councils, by and large, been able to do so. Only on some occasions have I been able to speak. I would say that, as part of the Education, Youth and Culture Council, I have spoken twice on behalf of the UK Government, and I also led a UK Government informal council on creative industries in Barcelona. I think that that had more to do with the fact that there was a UK Westminster election in the offing and the availability of UK Ministers may have been challenged at that time. So, Ed Vaizey and I have co-operated

very well, we have agreed lines in advance and he has also agreed, as I said, twice to allow me to speak at the council. So, that is a very good experience.

[66] What I found more frustrating, on a personal basis, was in relation to education, when I was Minister for education. The Minister for education and a senior UK official were representing us at the table—I was sitting directly behind—and there was a discussion on teachers. Everybody around the table, just about—or a number of countries—were raising issues about the quality of teachers, about trainees and about the challenges that they had in recruiting the best of students and graduates to go into teaching now. That is not a problem that Scotland has, so we had a different experience and one that we could have contributed, by sharing a positive experience, but I could not do that because I did not have a seat at the table and, again, that comes to the political argument. There are now 28 countries, a considerable number of which are smaller than Scotland, yet, still we have that difficulty. It is very frustrating. If you know in advance what the discussion is going to be, there is no reason why you should not be able to highlight, ‘This is an area we have got expertise in’ or, ‘We’ve got an interest. Can we speak?’ Sometimes, it will only be for a very short period of time, but do not underestimate the power of being in the room or being able to do short bilaterals around the room.

[67] A very good example is on the environment. Again, if you are looking for some good examples of relationships, I think that the environment part of the portfolio is an interesting one, where the UK Government has recognised Scotland’s expertise in a number of areas, involving climate change and the environment. Our Ministers for environment have worked very well with UK Ministers for environment where we have been able to help push the case, particularly on climate change targets. We have been able to work co-operatively in some of the bilaterals in identifying Ministers from other countries to discuss with and persuade, as the meeting progresses.

[68] So, the experience is variable. Again, I would rate it as probably depending on the strength of the individual relationships between the Ministers. The system is there for it to work, but I think that the experience, as I said, is variable and, unfortunately, in the key areas of agriculture and fisheries, it is very rare indeed that one of our Ministers would get to speak at a council meeting.

[69] **David Melding:** Jocelyn, did you have a specific question on that?

[70] **Jocelyn Davies:** Yes. I know that the Welsh Government Minister was exercised about speaking rights, but I am curious, if you have an agreed line and you have a detailed speaking note, why does it matter who gets to speak?

[71] **Ms Hyslop:** Well, if you have travelled that distance in terms of identification with other Ministers, you have a role in that area. Particularly, as I said before, when there is live discussion and negotiation taking place, that most definitely makes a difference. There are issues where the policy line has been agreed in advance; that is well and good, but sometimes that happens and there is a moveable feast during the course of the Council, particularly in agriculture and fisheries. So, in terms of where you reside, I think you have to distinguish the cases where everything is agreed upfront and there is not an issue, and you are just presenting the issue. If you look at the Irish presidency, for example, you will see that they took quite an innovative way to dealing with Council Ministers. Instead of this very fixed way, with 28 people saying their piece for two minutes et cetera, they took a far more interactive role and position. It does make a difference when you are able to influence that. A good example is where our Minister for Youth Employment, Angela Constance, led the UK at the Council meeting discussion on youth employment, and took a very active, progressive and participative role in that. As the council changes, that becomes increasingly important. Again, I cannot tell you that there is one answer to all this, but I hope that sharing my experiences

gives you a flavour of it.

[72] **Joyce Watson:** Are there any meetings that you are involved in for preparing the UK position for Council meetings?

[73] **Ms Hyslop:** Again, it would depend on the subject matter. Obviously, in terms of Council meetings where clearly there is a hugely important policy position, I would again refer to DEFRA issues. Quite often there can be meetings in advance with Welsh Ministers and others, before the Council meetings. Sometimes it can be done by correspondence, and sometimes it can be done by a phone call. By and large, prior to a Council meeting there will be a preparatory meeting of the UK delegation, and whether that includes devolved administrations or not, just to finalise any points. So, there are different mechanisms for that preparation to take place.

[74] **Joyce Watson:** Finally, do you have any comments on Professor Keating's suggestion that the right of devolved Ministers to participate should be placed on a statutory basis?

[75] **Ms Hyslop:** Well, that was one of the issues that we tried to pursue as a Government in relation to the recently passed second Scotland Act. That was one of our proposals that we wanted to be accepted. Unfortunately, that was not accepted by the UK Government, and did not happen. We are where we are. We now have the memorandum of understanding, which is the process, so we are now operating that. We have given it a six-month trial and identified that it helps improve things. However, we have managed to agree and change the wording, again, I would say, with the help of William Hague and David Lidington. On page 33, the memorandum of understanding says that

[76] 'Requests by the Ministers of Devolved Administrations to attend Council of Ministers should be welcomed unless there is a compelling reason not to do so and which the lead Minister should be willing to explain',

[77] and then, under paragraph B4.15, the lead Minister can

[78] 'agree to Ministers from the devolved administrations speaking for the UK in Council'.

[79] So, we are now operating under the revised memorandum. It was only a few weeks ago that that was agreed as a change by a Plenary session of the joint ministerial committee, so I think we should give it goodwill and good wishes and assess it in six months' time. Professor Keating was correct, I think, but I am afraid that that ship has long passed in relation to the legislative opportunity that there was recently for the UK Government to do that.

[80] **David Melding:** Minister, the final set of questions will look more broadly at the Scottish presence in Brussels. I will ask my colleague Eluned Parrott to take us through those questions.

[81] **Eluned Parrott:** Thank you, Minister, for those earlier answers. I want to broaden this out to this issue of how Scotland engages with the multitude of different aspects that there are to lobbying in Brussels. First, I wonder whether you might like to comment on your action plan, your strategy, if you like, for that engagement.

14:45

[82] **Ms Hyslop:** Indeed, one of the things that we wanted to do as a Government was to

try to really focus on key issues to pursue. As you are quite aware, we could spend a great deal of time either persuading, lobbying or influencing on a whole range of issues, and it was felt that we should have a bit more of a focused approach on our engagement strategy. So, we have targeted four key areas, and, in our experience, it does not mean that, if you are not in these areas, you are somehow being ignored; it just means that it provides leadership and focus to our key areas of attention.

[83] Energy and climate change are one, and, as I would reiterate, by focusing on that, we have built up a fairly strong reputation within that. Paul Wheelhouse, our current Minister for Environment and Climate Change, is currently heading for Warsaw to take part in the discussions there. Obviously, with the tragic situations that we have just seen in the Philippines, the emphasis on climate change is really key. Scotland was, I think, the first country in the world to set up a climate justice fund, and we have just doubled the investment in that, so it is an area of key importance. Clearly, with such responsibilities in oil and gas, our capability is very important for us, and with 25% of Europe's offshore wind and tidal potential, those are key areas, too. That is one.

[84] With regard to the environment, fisheries and agriculture, I have probably said enough about my interests—or our interests—in them. They are a key area for us. That is the second issue.

[85] Another issue is research and creativity as a key focus, and that has helped us to mobilise in advance of Horizon 2020 and other multi-annual financial framework opportunities, not only just to focus externally within Europe, but also to mobilise domestically, to make sure that we are capitalising, and encouraging everybody to capitalise, on opportunities.

[86] Finally, the fourth area is freedom, security and justice. Clearly, as I have previously explained, we have our own distinct justice system in Scots law; therefore, we always have to be vigilant in those areas in terms of where we are. However, we are also, I think, starting to provide a reputation in terms of issues around human rights, victims' rights et cetera that other countries are interested in. So, I think that we should see this as a two-way opportunity. The first is for us to influence for our own agenda, but the second is to contribute and offer—it is not just what Europe can provide for us; we feel very responsibly that we have to make sure that we can contribute to that wider agenda as well. Sorry if that was too long, but that is the case.

[87] **Eluned Parrott:** No, no; that is very interesting. Thank you. I wonder whether you can tell us what specific aims and targets you have set in your action plan for the engagement that you undertake, and how have you reorganised your resources to take account of that change to a more focused strategy?

[88] **Ms Hyslop:** In terms of resources, one of the things that we have tried to do is to make sure that we internationalise more our domestic departments, so that all these areas themselves have capability in Edinburgh in terms of that European dimension, as well as increasing our focus within our Brussels office. We have also seconded for the last few presidencies two members, primarily, and usually, in maritime, European or energy areas, or environment areas. We seconded Scottish Government staff to the Cyprus presidency, the Irish presidency and, lastly, the Lithuanian presidency, and because of our experience within that area of climate change and energy, and in maritime in particular, we find that helpful in two ways—yes, to learn, but also to contribute in that area.

[89] In terms of measuring outputs, again, it depends on the results of where you are working. In terms of freedom and justice, I think that trying to maintain the integrity of Scots law is an achievement in itself, what with all the changes, particularly in some of the policy

areas that the UK Government has developed. Realistically, however, we have our domestic targets in everything that we are doing. In terms of our national performance framework, we would expect all these items to fit into the process of our national Scottish performance framework as a Government.

[90] **Eluned Parrott:** Thank you, Minister. Clearly, if you have internal departments as well as the presence in Brussels lobbying on your behalf, measuring the investment in itself is probably a challenge, but measuring the return on that investment, in terms of the impact rather than the outputs that you have achieved from that work will be a challenge. Do you routinely monitor and measure what effect the engagement that you have invested in has achieved?

[91] **Ms Hyslop:** We report on a regular basis—well, as a Government, we report on a regular basis to our European and External Relations Committee on progress over the period, and that is important to us as a Government, to ensure that progress is being made in these different areas and that that is identified and recorded. You are right; I referred to our national performance framework, which was very much about outputs and outcomes as opposed to inputs. That is where the danger is in terms of the measurement of some of these issues. Outcomes, in terms of our approach as a Government, are a key focus for us, and that is not necessarily measured in a similar way. Climate change is a big agenda for us and there are quite clear targets in relation to the percentage of electricity from renewables and the percentage of carbon reduction. They are quite clear objectives. It is perhaps more problematic in relation to some of the other areas. We also have targets in terms of trying to increase the amount of small and medium-sized enterprise research and in terms of a research exchange with universities. Once again, that would be clearly measurable. There is an increased—[Inaudible.]—focus in Horizon 2020. That will be more apparent once the results of the next multi-annual financial framework and the different research exercises and projects come about.

[92] We have also just increased our resources in relation to secondments. I would not underestimate, particularly for smaller administrations like our own in terms of the devolved administrations, the experience that we can gain from having people embedded in the different institutions. The UK Government has retreated from that over a number of years, but I am very pleased that it has started to expand that relationship of seconding people to institutions. In our small way, we will also be doing that increasingly over the next few years.

[93] **Eluned Parrott:** Thank you; that is a very interesting option in terms of engagement. More broadly, looking at the complex animal of lobbying in Europe, who is it that you are engaging with and what proportion of your resources is allocated to engaging with Commission staff as opposed to, say, the elected representatives? How do you decide which channel is the most appropriate for a certain form of work?

[94] **Ms Hyslop:** Our relationship with the European Parliament has been increasing in terms of its responsibility and the regular dialogue with our own Members. We are very pleased that Scottish Members of the European Parliament work collectively and collegiately on many issues in relation to Scotland and are very helpful in helping to influence the Scottish agenda within the Parliament. In relation to key chairs of committees, we try to influence them and meet them at a ministerial level, when we can do so. Commissioners are extremely important. We have had a large number of commissioners visiting Scotland. We regularly invite commissioners to come to Scotland and we meet them in Brussels as well. So, it happens at a range of different levels and in a range of areas.

[95] The intensity of that relationship depends on the individual subject or portfolio area. Going back to the question on our European engagement strategy and our four key sectors, this has allowed us to provide a bit more focus and attention on those commissioners, chairs

of committees and MEPs who were particularly keen to influence and progress. We regularly also provide special seminars at Scotland House in Brussels. There are good networking opportunities for key influences there in terms of different agenda items.

[96] **David Melding:** May I ask about the Committee of the Regions and whether that has any particular relevance still? We have heard some evidence that, perhaps, the Treaty of Lisbon, which seems to have increased the influence of the European Parliament considerably, has perhaps overshadowed the role that the Committee of the Regions was playing in being a voice and protection for regional interests.

[97] **Ms Hyslop:** The experience is variable. Your analysis is correct in terms of the greater focus on the Parliament, perhaps, overshadowing that. Therefore, the MEPs are acting collectively for an interest. I am not sure how collectively the Welsh MEPs work, but I have noticed that that has become increasingly important over the last few years.

[98] As for the Committee of the Regions, we have an interesting relationship with it. The Scottish Government's view is that there should not be Members of the Parliament as part of the Committee of the Regions; we would be quite happy for all of the seats to be taken up by councillors and by our local authorities. However, that is not a position shared by other parties in the Scottish Parliament. Indeed, our European and External Relations Committee undertook a short inquiry to look at the pros and cons of whether Members of the Scottish Parliament should be members of the Committee of the Regions, or whether it should just be councillors. On balance, it came back to the view that it should be a combination of both. So, we currently have two Members of the Scottish Parliament and two councillors as our representatives on the Committee of the Regions, as we decided to take a consensus approach and to agree with the other parties, and that is what our current membership is.

[99] **David Melding:** In Wales, we have one Assembly Member and an alternate, I think, on the Committee of the Regions. It is very interesting that in Wales also the MEPs work well together—surprisingly, you might say—on common Welsh interests that are perhaps not very partisan, but are quite clearly to the advantage of Wales. I sense that there is a very similar situation in Scotland.

[100] Minister, we have nearly had a full hour with you, and your evidence has been of outstanding help to us. We have asked some fairly detailed questions and received, if I may say so, excellent and focused replies. I feel that we have exhausted you a bit, but, if not, now is the time to add any evidence that you think we may not have gathered in our fairly extensive approach so far. If you wish to add anything, I should give you that opportunity.

[101] **Ms Hyslop:** Thank you for your time and attention. I have sent some written evidence as well, which might be helpful. I think that we can learn from your experience as well, so I would be interested to see the results of your deliberations. In the atmosphere of continuous improvement, I hope that I have been diplomatic enough to provide compliments where they were due, but also frank enough to give you some insight into how things actually work.

[102] **David Melding:** It has truly been an outstanding session. We have learned a lot. Some very common themes are coming through in our work. I should say that David Lidington is giving evidence next week. As a committee, we are particularly grateful to Ministers of other jurisdictions who are prepared to spend so much time helping us with an inquiry. It will really be of great benefit to Wales, and I hope that you will get some satisfaction from helping us with our work, because we realise that it is all additional for you. Many thanks for your participation this afternoon, both your written evidence and the outstanding and interesting oral evidence that you have given. Best wishes from Cardiff, and, once again, many thanks.

[103] **Ms Hyslop:** Thank you.

[104] **David Melding:** We will adjourn for five minutes or so before the next witness gives evidence.

*Gohiriwyd y cyfarfod rhwng 14:58 a 15:06.
The meeting adjourned between 14:58 and 15:06.*

Tystiolaeth ynghylch yr Ymchwiliad i Rôl Cymru ym Mhroses yr UE o Wneud Penderfyniadau

Evidence in Relation to the Inquiry into Wales's Role in the EU Decision-making Process

[105] **David Melding:** I welcome everyone back to this meeting of the Constitutional and Legislative Affairs Committee. We continue with our inquiry into Wales's voice in Europe. I am delighted to welcome Hywel Ceri Jones here this afternoon. Hywel is currently chair of the external advisory board of the Wales Governance Centre. Of particular interest to us is that he is a former Deputy Secretary General of the European Commission and has extensive knowledge of matters European. He also wrote a very interesting paper at the birth of devolution on how Wales should project itself at the European level and ensure that it takes the maximum opportunities from what Europe has to offer.

[106] So, I suppose with that in view, and as an opening question, I would like to ask you whether you feel that Wales has come some way since you made those initial recommendations back in 1998-99, or whether you feel that there is a lot left to be done to develop our capacity to promote Welsh interests in Europe. We will go into some detail on other questions, so I would like a broad horizon of where you see us at the moment.

[107] **Dr Jones:** Wel, diolch yn fawr am y croeso a hefyd am y cyle i drafod y berthynas rhwng Cymru a'r Undeb Ewropeaidd. **Dr Jones:** Well, thank you very much for the welcome and for the opportunity to discuss the relationship between Wales and the European Union.

[108] I will now switch to English.

[109] **David Melding:** You are welcome to use Welsh.

[110] **Dr Jones:** No, no, I am switching to English. Could I just make one point at the beginning, after your introduction about the history? In fact, I was the European advisor to the two Secretaries of State, and I chaired an all-Wales taskforce on the relationship between Wales and the European Union that produced a report, which I hope that you could look at—it is full of recommendations that were enthusiastically embraced at the time, particularly by Ron Davies, but also by Alun Michael. So, I think that it is important that you have a look at that.

[111] **David Melding:** We have a copy. It will be referred to as part of our written evidence.

[112] **Dr Jones:** Okay, good. Things have moved on a lot since. It is almost 14 years since I wrote that report and did the BBC Wales Annual Lecture in 1999, and things have moved on a lot both in Wales and at the European level. So, there is not much comparison. Things have moved considerably—I do not need to tell you all about the movement in Wales, and the increasing movements. Also, at the European level, since that time, we have had the big-bang

enlargement, the Lisbon Treaty, with the references to subsidiarity and the internal diversity of the member states to be recognised, which is very important, and, most importantly, the increased role of the European Parliament. I cannot emphasise that strongly enough—co-decision powers virtually across the board. That has changed the European ball game of decision making considerably. Thinking about coming to meet you, I thought that the most important point to emphasise is what lies ahead, and what lies ahead in two months' time is the unrolling of the 2014 to 2020 EU strategy, and, most importantly, the EU budget 2014 to 2020 that, for the first time, has to reflect the priorities set out in EU 2020. So, it is very important that, within the Assembly, there is a real grasp of the comprehensive nature and the policies and targets that are set out in the 2020 strategy. That would be, for me, a must before one can go anywhere.

[113] It is the comprehensive nature of this that is quite a challenge. At the moment, for me, it is useful to look at it at the three levels: what is the Welsh Government doing, what is the Assembly doing, and what is the Welsh civil service doing to prepare the ground? I had the privilege last Thursday of attending the launch of Horizon 2020 here in Cardiff, which was organised by the Welsh Government and launched by Carwyn Jones and Jane Hutt jointly. Some very important statements were made in that meeting. It is quite clear that the First Minister is himself taking the leadership responsibility on the development in relation to the EU political agenda and he has now charged the Minister for Finance with two tasks, as I understood it, and I also talked with Jane Hutt subsequently about it: first, to be responsible for the co-ordinated delivery of all the EU programmes, and, secondly, to drive the collaboration across the ministerial portfolios. I found this announcement extremely important and very welcome.

[114] **David Melding:** Could I say that I think one of your fears in 1998-99 was that it would be the structural funds that would gain all the Assembly's attention, and, in fact, certainly in the first Assembly, it was a massive issue in terms of the match funding issue? Indeed, I think it is fair to say that structural funds have continued to be regularly a very particular focus for the Assembly, and, most recently, whether the whole issue of repatriation would rear its head in terms of regional policy. However, I sense from what you have just said about the First Minister's approach—which is why we are having this inquiry, because he raised this issue of Wales's voice in Europe—the structured comprehensive approach and Jane Hutt's responsibilities to ensure these opportunities are picked up across the various departments, that that leads you away from fearing that there is too exclusive a focus on structural funds now.

[115] **Dr Jones:** Absolutely. There was an enormous drive last week on Horizon 2020, which is the new title for what was the seventh framework programme of research and development, and is of massive significance—let alone the financial significance—to Wales. There was a very enthusiastic participation not only of the universities, but of the private sector, there. One of the consequences of this, which is linked with the structural funds, by the way, is that Wales is going to have to produce, as a prerequisite for participation, an all-Wales innovation strategy, which is going to have to involve the private sector, including, in particular, small and medium-sized firms in a big way. So, having the capacity within Government—and, I will argue, within the Assembly as well—to look across the board, and to look at the sweep of policies and the financial instruments that are associated with them in EU 2020, is crucial.

15:15

[116] For Wales, I would say that structural policies and structural funds is one big package. This includes the European regional development fund, the European social fund and the agricultural guidance fund, which is of massive significance, with rural development and measures in it. There is also Horizon 2020 and Erasmus for All, which is of huge

significance to Wales, and there is a lot of enthusiastic involvement, which can drive university reform processes, and is driving them, across Europe. So, it is important to see those together, which is why I attach a lot of importance to inter-ministerial collaboration.

[117] **David Melding:** We are going to look at structures, and at the architecture of all this, quite a lot, and I think that it is useful to have those points illustrated by policy opportunities. However, we are not a policy committee—I just make that point—so we do not want to get drawn into too much detail about specific policies, but how all this joins up is very important. I am going to ask Jocelyn Davies to take us through the first set of questions, which looks at inter-governmental arrangements, by which we mean the devolved Governments and the UK Government, broadly.

[118] **Jocelyn Davies:** It would seem that effective influence is best pursued by early engagement—getting in there early and getting your message over early. That is informal interaction at official level, before ministerial discussion. There seem to be extensive discussions before you get to the Council, where the message is then delivered. Are policy positions taken quite early on, and then polished up and refined, or is it done later on, after people have had a chance to lobby and to make their views known? Where in the process does the Government take its position?

[119] **Dr Jones:** It is at many stages. The right of initiative for proposals at the EU level is with the European Commission. So, the first stage normally would be in the consultative stage, before the Commission, which is inevitable and regular now in most policies, tables its proposal.

[120] **Jocelyn Davies:** So the UK Government would take a position before a proposal is—

[121] **Dr Jones:** It might not be the UK Government; it could be all kinds of levels. It could be civil society organisations, which are organised at European level, it could be the employers and the trade unions, or it could be local authorities that are well organised at different levels.

[122] **Jocelyn Davies:** So, what about the UK Government's stance—the member state's stance?

[123] **Dr Jones:** It would take the stance in the Council.

[124] **Jocelyn Davies:** In the Council; not before then.

[125] **Dr Jones:** It might be before then, informally.

[126] **Jocelyn Davies:** I see; okay.

[127] **Dr Jones:** However, at a formal level, it is when it is tabled, simultaneously with the European Parliament, and, of course, the Committee of the Regions and the European Economic and Social Committee. However, it is when it hits the Council that the negotiations start, and that is a complex process, where it is very important, in the corridors, to understand the interplay between the United Kingdom delegation and the other delegations.

[128] **Jocelyn Davies:** I see. Is that why it is important for Welsh Ministers to be in the delegation, to be doing this corridor negotiating?

[129] **Dr Jones:** It depends on the particular proposals that are on the table. I mapped out—just for myself, and off the top of my head—that, if it concerned cohesion and structural policies, if it concerned research and innovation, if it concerned rural development, if it

concerned social inclusion, which includes a whole set of measures to counter unemployment, if it concerned education, and, possibly, if it concerned health and culture, there is a strong Welsh interest in being present. I could probably argue more—there is the environmental field as well—but some of those are critical for the Welsh interest to be safeguarded, projected and fine-tuned into the negotiating position.

[130] **Jocelyn Davies:** We are led to believe that the UK Government leads—it is the member state—and our Ministers have to sign up to that agreed line. How does that nuancing, that kind of influence and the Welsh interest, feed through to the UK Government's stance in Council?

[131] **Dr Jones:** That happens in two ways, as I understand it now—do not forget that I left the European Commission at the end of 1998. As I understand it, it happens in two ways. First, at home here in the UK, there have to be preparatory meetings according to the memorandum of understanding that exists in terms of inter-governmental relations. So, the position on, let us say, rural development and the interests of Wales would be pre-negotiated before the UK position is defined. Secondly, when it hits the table of the Council of Ministers and a delegation goes to Brussels, in some cases there should be, in my view, the opportunity for the Welsh Minister to be part of the delegation. So, there are two ways that this happens.

[132] **Jocelyn Davies:** What about speaking?

[133] **Dr Jones:** Speaking is an issue that is open to discussion. You cannot have everybody speaking. I remember well one vivid occasion in Luxembourg when I turned up—I was sitting next to the commissioner as the director general; it was social policy—and there were four chairs next to us for the Belgian delegation and five Ministers turned up.

[134] **Jocelyn Davies:** Did they take it in turns to sit down?

[135] **Dr Jones:** No, they did not. They walked out.

[136] **Jocelyn Davies:** Did they?

[137] **Dr Jones:** There was a hell of a row. Of course, I am used to it. I was responsible for 20 years for education policy in the negotiations. The German Länder were there every time with the German central Government. There was a statutory convention between them. There had to be. In Germany, as you know, the Länder are responsible for education policy. There is very little responsibility at federal level. So, it is a bit similar here. Why should it be different?

[138] **Jocelyn Davies:** I would like to ask a question on lobbying. Who gets lobbied at Brussels? We hear about this great, huge lobbying industry at Brussels. We spoke earlier via video link to the Scottish Minister with a European interest who leads on this. It did not sound to me, from what she said, as if she was getting lobbied. Who gets lobbied in Brussels? You know this from your extensive experience. Where is that industry focusing its attention? Obviously, it is not on the devolved administrations.

[139] **Dr Jones:** No. They are lobbying in relation to the proposal on the table. For instance, I was involved in lobbying on the regulations governing the structural funds on behalf of a group of private foundations concerned with the rights of disabled people. We were arguing that the regulations should contain some mechanisms for monitoring and evaluation and an explicit understanding of what had been achieved, which the Council of Ministers did not want to put in the text at that stage—most Governments did not want to put it in the text. So, what we all did was lobby the European Parliament, because the European Parliament was the vitally important body that would be negotiating a co-decision text.

[140] **Jocelyn Davies:** So, regional Governments and member-state Governments do not tend to be subject to this lobbying; it is the European Parliament.

[141] **Dr Jones:** They do.

[142] **Jocelyn Davies:** But not regional Governments.

[143] **Dr Jones:** Yes, it could be every level.

[144] **Jocelyn Davies:** It seems to me that a lot of people are happy to say that they do the lobbying but nobody says that they have been lobbied.

[145] **Dr Jones:** I think that it is a pretty open process. The Commission has established, under the principle of transparency, a register of lobbying bodies. This was a quite a controversial issue, but is went through. I think that you can check that. There is an authoritative list of lobbying organisations, but what you will not know is that lobbyist A will have contacted commissioner B to try to make sure that the rural development proposals go this way rather than that way.

[146] **David Melding:** Suzy, did you have a specific point on this?

[147] **Suzy Davies:** Yes. It is related to this. We have heard evidence already in this committee that, despite the huge size of the EU, an awful lot of work gets done based on chemistry—on good relationships—between individuals in their personal capacities, as well as in their formal capacities. Do you have any concerns about the balance for that as it stands now, at either stage: pre-motion and before the Commission lays—I have forgotten the word that you use now, I am sorry—the actual piece of policy that it wants to talk about? The consultation—

[148] **Dr Jones:** No, I would not have concerns about that. The important thing—. Are you talking about Governments now?

[149] **Suzy Davies:** All kinds of relationships.

[150] **Dr Jones:** All right. Let us take Governments. In the lead up to the point at which the decision will be taken, there will be huge traffic in the corridors between the delegations of each Government doing deals with other Government delegations. In the end, a lot of the deals form part of a package deal for each Government: ‘I’ll trade this off now and go a little bit with you and make it a little concession now; next week, perhaps you will remember that’. That is part of normal business, as it probably is here; I do not know. Is it not known that there could be discussions in the corridors before decisions are made? It is a bit similar.

[151] **Suzy Davies:** I raise it mainly because we have a new system in Europe now—the trialogue—where an awful lot of discussions seem to take place behind closed doors. People know that it is happening, but it is not very transparent, which is something with which I would have an issue. However, in the pinch points in these negotiations, where does the transparency lie? I appreciate that some confidentiality has to be observed, which is why I asked you about the balance about how much is visible and how much is, basically, bargaining.

[152] **Dr Jones:** The result at each stage will be transparent, because the revised proposal will appear on the table for everybody to criticise, comment on and respond to. That will be the trigger. People will read that and realise that somebody has changed position a little bit, or there is more of a consensus emerging, or it is fragmenting. People will realise that.

[153] **Suzy Davies:** What they might not realise is the depth of the lobbying, but I appreciate that I am taking up time.

[154] **David Melding:** These points are relevant and interesting, but our specific focus is on what machinery or architecture there is—how the Welsh voice gets through, or not. We go back to you, Jocelyn.

[155] **Jocelyn Davies:** I think that we have covered my points. I would be interested to know whether there are others who lobby and who knock out the influence of the Welsh Government, but I think that we have covered my points, actually.

[156] **Dr Jones:** There are virtually as many lobbyists now in Brussels as there are in Washington, around the machine there. It has become a huge industry. The lobbying takes all kinds of forms. There are many commercial and law firms that do this. Then there is lobbying through representative organisations. Civil society is highly organised, and I mentioned the disability example earlier. The European disability forum represents in all—through national organisations—30 million people. It has a heavy voice. I was involved in negotiations on all the directives on social policy, employment law and equal gender rights. You cannot put the proposals on the table unless you have discussed them with employers and trade unions at European level. There are different mechanisms in relation to different policies and different lobbying interests in relation to each one.

[157] **David Melding:** We might talk about some of the wider issues now in terms of general engagement, and look at ways in Brussels, more generally. Joyce, will you take us through these questions?

[158] **Joyce Watson:** In terms of ways in Brussels, in your 1999 lecture, Dr Jones, you said that,

[159] ‘Wales must have a much more direct voice in deliberations about European policy—it needs to perform as an actor, not wait in the wings of the European stage’.

15:30

[160] What, do you think, is the extent and effectiveness of the Welsh networks in the European Union?

[161] **Dr Jones:** Since that time, I am delighted to see Ty Cymru there. The Welsh Government took the decision to invest, and it has progressively invested more. I had the opportunity two weeks ago to visit, and I am quite impressed. The location is very important, as is the activity. Using its expertise and informal relations, as well as formal relations, seems to me to be along the right lines. I cannot tell you more about the detail of it—you may know more than I do—but I am encouraged by that. It has associated with Ty Cymru the higher education network that represents universities and higher education institutions throughout Wales. That seems to be doing a very good networking job. I know, historically, that there are multiple networks of relations with the different regions—this is outside—reinforced by the Committee of the Regions, which has now had a number of years to settle down a bit more, but a lot of the relations are bilateral or multilateral with specific regions with which Wales has a common or shared interest, and I think that is extremely important. It can be in different fields: cultural, educational, and sometimes rural or economic development. There is a variety. On the whole, I am encouraged by the investment that has been made. What is important, of course, is the feedback from there to Cardiff and to the Assembly, and the two-way traffic. That, I think, is very important. I do not know about that, but I would have questions about that.

[162] **Joyce Watson:** Okay.

[163] **David Melding:** Before we move on, are any of the networks underdeveloped? You talk about the office that we have in Brussels, but did you know that the Assembly is also there, in terms of having a presence? Also, what about the voluntary sector or the business community?

[164] **Dr Jones:** Did you say the business community?

[165] **David Melding:** Or the voluntary sector in terms of co-ordinating at European level.

[166] **Dr Jones:** The voluntary bodies in Wales, as I understand it, are networked with the European associations of voluntary bodies in different fields. I do not know how far they are networked with the representative Welsh office in Brussels. They probably pass through and they probably have links, but their primary relationship is with the other bodies: for instance, the anti-poverty European network, where they work together to lobby and sometimes to partner. They get co-funded for activities, and that is terribly important.

[167] **David Melding:** Why is higher education actually there, then? Presumably, there is a European higher education network.

[168] **Dr Jones:** Why is it there?

[169] **David Melding:** Yes. Why is it physically in Brussels—in the Welsh office?

[170] **Dr Jones:** It is because, in the past 20 years, the Erasmus programme has transformed the higher education scene in Europe. We hit 3 million students achieved through it. The universities are very concerned to partner with other universities. The universities have to internationalise in order to be competitive. So, they took the decision to invest in doing it.

[171] **David Melding:** [*Inaudible.*]—you have the Government, the Assembly, there is a higher education network. There is no business network, and there is no voluntary sector network, although they do have their members of European networks. Why are they not there, and would there be a benefit if they were present as well, do you think?

[172] **Dr Jones:** Way back, they were there, in the days of the Welsh Development Agency. They were heavily here; they were extremely present. Now, the Confederation of British Industry in Wales, for instance, is involved in the overall European-wide CBI negotiations, as is the Trades Union Congress. In the European language, it is the social partners that are negotiating, so they are involved. However, I would argue that there is more scope for them to be involved, and we need them here in Wales being much more involved as well.

[173] **David Melding:** Yes, I think that that is the issue that we wanted to look at, actually. Joyce, we are back with you. Sorry for the interruption.

[174] **Joyce Watson:** That is fine. I would like to ask you, if you would, to comment about the Welsh Government's engagement with the European Commission officials.

[175] **Dr Jones:** I do not fully understand that question. With the officials?

[176] **Joyce Watson:** Yes.

[177] **Dr Jones:** How many Welsh officials are there?

[178] **Joyce Watson:** It is about the Welsh Government's engagement, so I suppose that that is the people whom we have on the ground, or ourselves, and the engagement with the European Commission officials.

[179] **Dr Jones:** Well, there is not any—

[180] **David Melding:** It is all at the UK level.

[181] **Dr Jones:** No, it is not. You apply through public examinations to become an official—

[182] **David Melding:** No, I think that this is about our civil service influencing what is, in effect, the European civil service.

[183] **Dr Jones:** Sorry; forgive me. Well, they are doing it partly through the operation that you have in Brussels now, but mainly it must be through the inter-governmental machinery in this country. It is important, therefore, to have a good look at the inter-governmental machinery as it works here, within the UK, in relation to the full fulfilment of the terms of the memorandum of understanding. I have had the opportunity to look at that in a wider context in the work that I am involved in with the Changing Union project, and that raises a whole set of issues about the quality of the inter-governmental relations across the board, but, in relation to the EU, as I understand it, this may be one of the areas that works best.

[184] **David Melding:** If the inter-governmental machinery within the UK was not working very well, there would be no real way of Welsh civil servants having direct contact with European civil servants, would there? That is just not how it is done. Is that the case?

[185] **Dr Jones:** Not on an official level. The Commission is pretty well an open door, and they can have lots of informal contacts, but not at a formal level, because—

[186] **David Melding:** So, the joint ministerial committee process is really very important. That is what we are trying to understand.

[187] **Dr Jones:** It is extremely important to look at the inter-governmental relations within the UK.

[188] **Joyce Watson:** My last question is: what do you think of the extent of Welsh Government civil servants' involvement in secondments to the European Union?

[189] **Dr Jones:** Over the last few years, UK staff presence in the Commission has been diminishing. I think that that is extremely worrying. There is a general concern among a lot of ex-Commission officials, such as myself, from the United Kingdom. This is a general UK problem. We are lucky in Wales that we have one Welsh director general, but that is not because she was Welsh, in Lowri Evans, just as I was director general for social policy for a period. That is not because there was some process from Wales to come to that. However, my direct answer to your question is that I think that there is more scope, which should be seized, to try to have people seconded and placed in some of the directorates-general that are of most interest to Wales. I would like to see somebody from Wales regularly in the regional policy DG. I would like to see someone in the research and innovation DG, linked, perhaps, to the work on the digital economy. There is scope to have somebody, certainly, in the agriculture and rural development DG. It is worth the investment, because people then can come back with the knowledge and know-how, and friendships and relationships. If you do not blood the people to get them prepared, I think there is a problem. So, you can do that through secondments, and the other thing is to do it through the stagiaire scheme. The stagiaire

scheme is the traineeships: try to encourage more young former students in the early stage of their career to do the traineeship. That often leads on to other things. I know that the UK Government is now again worried about what I am telling you about: the diminishing number of UK nationals on the staff of the Commission and of the other European organisations. It is trying again to think of a fast-track scheme, which was introduced many years ago, and did, at that point, work well. You should be in the discussion as to whether that is happening, and show us from Welsh interests that there should be two or three at least of the staff of the Assembly fast-tracked into the Commission for a three-year period.

[190] **David Melding:** This is an interesting point, which was made by the Scottish Minister in her evidence earlier this afternoon. She made some very similar points.

[191] **Dr Jones:** Well, if you come back—forgive my saying so—to my report, the taskforce report through the two Secretaries of State, you will see all those proposals there.

[192] **David Melding:** We need to make progress, I am afraid. The clock is, as ever, against us. Eluned is next.

[193] **Eluned Parrott:** I am sure you will indulge me, Chair—

[194] **David Melding:** You must ask your question. We are not about to run out of time imminently.

[195] **Eluned Parrott:** I was just wondering, on that point, if you could identify any particular reasons why you thought there had been a decline in the number of the UK representatives on the Commission staff. Is it a political barrier, perhaps, or a perception barrier about the European Union in Britain? Or are there practical issues such as language barriers, and loss of language skills, for example?

[196] **Dr Jones:** There are certainly growing language barriers, and I would like to think that, on that, we could really do much better within Wales, within the education system, to reinforce the language coverage, because the fall-off in the numbers of people in English universities studying languages or European studies is dramatic. So, I think that that is clearly an important part. That is why, incidentally, universities now are paying a great deal of attention to the Erasmus programme and to the internationalisation of their study programmes—because that gives students a stronger curriculum vitae with which to go to interview. The vice-chancellor of Cardiff has just set a new objective of 18% by 2017—that is, 18% of all undergraduate students doing a year abroad. This is no accident. This is about trying to come to terms with globalisation, and getting a plus value on your curriculum vitae. I would like to see many more. We have got the chance to do it, because Cardiff and Swansea are showing the way. They are doing very well in these programmes.

[197] **Eluned Parrott:** Thank you, Dr Jones. I will move on then to ask about some of the more formal strategies. You mentioned the role of the Committee of the Regions and participation in that, and how that acts as perhaps a catalyst for partnership working with other regions in terms of specific policy areas. However, we have had a little bit of evidence that would suggest that, as the structure and the balance of power in the European Union has changed, the Committee of the Regions has less influence than it might have and than it previously had. Is that a fair reflection, would you say, or do you disagree with that view?

15:45

[198] **Dr Jones:** I think it has always had a lesser role. I was involved over there when it came into being, and I was happy it came into being because it gave another framework for a voice and drew attention to the importance of the regional dimension, which is, of course,

very different, as you know, from member state to member state. So, it was good that it came into existence, and it is useful that it could be there as a further framework for discussion, for communication and for feedback to the regions, but I do not believe that either the Committee of the Regions or the European Economic and Social Committee play a fundamentally significant part in the decision-making process. I think that, often, they are a bit too slow; they cannot handle it. The bear pit now is that the Commission proposal on the table is for the European Council and the European Parliament. I would just say, incidentally, that I had not quite finished what I wanted to say earlier, at the very beginning: I was disappointed about the disappearance of the European affairs committee from the Assembly.

[199] **David Melding:** We are going to move on to that. We will have a specific discussion on that, so we will deal with that at the end.

[200] **Dr Jones:** All right.

[201] **David Melding:** We are back with you, Eluned.

[202] **Eluned Parrott:** I think that that is very interesting. Do you think that in the future, as the balance of power changes, the Committee of the Regions can be made to be more effective and influential, or do you think that, because of its nature and the number of regions now involved in that committee, it will always have these problems?

[203] **Dr Jones:** I think that it will always have that problem, because the member states will not allow more scope for it to have more teeth than it has.

[204] **Eluned Parrott:** Okay, that is great. Thank you very much.

[205] **David Melding:** So, our investment with the European Parliament needs to increase, probably. That is the obvious political projection for us—perhaps the Commission, via secondments and methods like that, is another line of increasing influence, but the European Parliament, since the Treaty of Lisbon, really has changed, and its influence has grown considerably. Is that your view?

[206] **Dr Jones:** It is the power of decision. Its co-decision-making power is—

[207] **David Melding:** It is beyond influence, actually, is it not?

[208] **Dr Jones:** It is the central thing to understand and to work with.

[209] **David Melding:** Right, we have saved the most contentious bit until last, I think. Suzy, with great care and tact, will take us through it.

[210] **Suzy Davies:** Yes, you can probably guess what I am going to ask you.

[211] **Dr Jones:** I can.

[212] **Suzy Davies:** Obviously, in your lecture in 1999, you made some recommendations that were originally taken up by the Assembly, but which, over the years, have fallen away. Since 1999—you said it yourself in your opening remarks—the relationship between the Assembly and Europe generally has become very different.

[213] **Dr Jones:** Very different.

[214] **Suzy Davies:** I can see how you might be disappointed that the Assembly does not do what it did originally in terms of having a European committee, but can you think of ways in

which we can deal with the now, when we are looking at our committee structure here in the Assembly? I would like to hear what you have to say a bit more on the mainstreaming through other committees, which is something that Fiona Hyslop raised earlier in evidence to us.

[215] **Dr Jones:** Well, my original proposal was a two-part proposal: to have a European affairs committee and to mainstream within the main committees, by having at least a designated rapporteur within each of the subject committees who would be assigned a special responsibility to follow the European questions. Although I was disappointed, I do feel that the announcement by Carwyn Jones and Jane Hutt last week, which you probably knew about before, goes some way towards making me feel slightly less uneasy. However, I wanted to draw a distinction between what the Welsh Government is doing and what the Assembly is doing.

[216] **Suzy Davies:** Me, too.

[217] **Dr Jones:** I think that this is an important one. So, while I am happy about the Welsh Government announcement, I am not yet happy about what the Assembly is doing, because I think that the Assembly as a whole needs to have a comprehensive grasp of the whole package—the relationship to EU 2020 and the different funds. It needs to be able to understand, on a regular basis, whether it is working well or not and whether it could fine tune it. In this very difficult period of recession, with huge resources likely to come through the structural funds, through Horizon and through the Erasmus for All, and a few other ways, over the period to 2020, I would argue, for Wales, that every AM needs to understand this, because every AM needs to be a warrior in their constituency, particularly with small and medium-sized firms, to get them to understand that they could be players in this ball game.

[218] Last week was fascinating; there were good speeches—in my view—by the First Minister and the Minister for Finance. The following day, there was nothing in the *Western Mail*—not a word. So, there is a massive communication problem. By the way, this is not new to anybody; it is an old problem in Wales. There are *Daily Mail* readers, but they are not getting any information about this. This is why I would argue as well that, in relation to the Wales Office staff here, we need to see an interdepartmental mechanism of some kind that can be transparently available for information, advice, consultation, mobilisation, pushing and rethinking the communication strategy, so that people in Wales can understand that it is a changing, moving ball game; there are going to be resources flowing to aid the Welsh agenda. This is the first time that I have seen, in all my experience, an alignment of the Welsh political agenda for the next period with the EU political agenda. This is what the Irish did and this is why we saw the success of the Celtic tiger. There were four clauses, and the first of the four clauses was the coincidence of domestic and EU policy. That drove it. I could tell you about the other three clauses, but that was the key.

[219] **Suzy Davies:** From our perspective, as Assembly Members, the committee system here is one of our main tools for scrutinising Welsh Government delivery against its set objectives—whether they are aligned to the EU or not. I heard what you said about the announcement earlier today. In the 14 years between your initial lecture and now, an awful lot has changed. Are you worried that what you suggested to us as potential committee members may have been insufficient for what we need to be doing now?

[220] **Dr Jones:** As I said, I do not know why—I was not party to it—and have never heard why the Assembly eliminated the committee. I have a separate concern about the size of the Assembly, in that I believe that you do not have enough Members.

[221] **Suzy Davies:** Sorry, I did not mean the separate committee for it, but the mainstreaming of it through the other committees, which is not great, if my experience on

other committees is anything to go by. Is your original suggestion for that enough now, or do we need to do more?

[222] **Dr Jones:** You need to do more.

[223] **David Melding:** The rapporteur on each committee would, in part—

[224] **Suzy Davies:** I am asking if that is enough now.

[225] **David Melding:** That could work under the new structure.

[226] **Dr Jones:** I think, David, that what you could do is perhaps say that you will set two occasions in the year where a cross-committee meeting will be held, which will be well organised, to feed in the results from each of the subject areas, the critical subject areas, which are also part of the EU 2020 strategy. That would then be the occasion for you to review the reports on the use of the funds, to monitor and then to have an opportunity to mobilise. You need some critical points in the process. Rather than reinvent the committee, invent a mechanism that could give you that interdisciplinary, inter-sectoral capacity to monitor and mobilise. That would be my approach.

[227] **David Melding:** Okay; that has been very strongly expressed. This is an important area for us internally in terms of our structure, so I do not want to close off the discussion, but I think that we have heard the evidence, really.

[228] The fact that we have this inquiry demonstrates that there is still a European overview, certainly in terms of structural issues, going on. This will be a very extensive inquiry. We also take the lead on subsidiarity and, in fact, I will be speaking at a conference in Berlin, because Wales is regarded as something of an exemplar.

[229] **Dr Jones:** Good.

[230] **David Melding:** So, there are issues that we are taking forward and we are developing best practice. However, the committee has heard what you have had to say about those issues relating to taking up European policy issues and ensuring that European programmes that apply are effectively implemented. That is something that we will certainly reflect on.

[231] Do we have any final questions?

[232] **Dr Jones:** May I add one point? The Welsh European Funding Office has had its role extended to cover Horizon 2020, to be able to inform and advise the research and innovation community. I draw particular attention to the importance—inadequate so far—of the private sector. However, the WEFO report could be in to these two meetings that I am advocating—

[233] **David Melding:** It is a really interesting suggestion, Hywel. Is there anything else before we close the meeting? Hywel, is there any piece of evidence that you finally wanted to leave us with that we have not covered in our questions? Our remit is a fairly specific one, which is why we have not gone into lots of policy issues, because we do not really see that as the purpose of this particular inquiry, although they are useful to illustrate certain points. If there is anything you want to add, now is the time. We have, however, put the questions that are most concerning us to you.

[234] **Dr Jones:** No, thank you; we have covered quite a bit of the ground, I think. I wish you every success, but this next period to 2020 is the last chance saloon with European money. So, it is very important to use it to the best effect as added value to whatever can be

ripped out post-Barnett and all the rest of it. It is crucial and, in my mind, the biggest challenge is probably to get the private sector really engaged. I wish you well with it.

[235] **David Melding:** Thank you for taking time to give evidence. We are very well aware of the depth of your contribution to European issues from a Welsh perspective, and the part that you played in the early days of devolution. It is a very interesting perspective. Thank you very much.

[236] **Dr Jones:** Diolch yn fawr.

15:57

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod

Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Meeting

[237] **David Melding:** I will now move a motion under the relevant Standing Order to conduct the rest of this meeting in private session, unless any Member objects. I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).

[238] I do not see any objections. Please clear the public gallery and switch off the broadcasting equipment.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 15:57.
The public part of the meeting ended at 15:57.*