

European and External Affairs Committee

MINUTES

Date: 5 December 2001

Time: 10.00am

Venue: De Gasperi Room, The Dorint Hotel, Brussels

Attendance: Members

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

Standing Invitees

Jonathan Evans	Member of the European Parliament
Jill Evans	Member of the European Parliament
Glenys Kinnock	Member of the European Parliament
Eurig Wyn	Member of the European Parliament

Jos Gallagher Director, Wales European Centre

Rose D'Sa Economic and Social Committee

In Attendance

Jerome Vignon Leader, European Commission Governance Team

Xavier Gizard Secretary General of the Conference of Peripheral and Maritime Regions

Phil Bird European and External Affairs Division

Jackie Brown Head of Unit, European Programmes

Des Clifford Head of the Assembly Office in Brussels

Gary Davies Head, European and External Affairs Division

Russell Keith Committee Clerk

James Owen Deputy Committee Clerk

Item 1: Discussion with Members of the European Parliament

1. Ieuan Wyn Jones was nominated as temporary Chair, because flight delays had caused the First Minister and four other members of the party to be late arriving. The temporary Chair welcomed everyone to the meeting and noted that apologies had been received from Rhodri Glyn Thomas, Eluned Morgan, Catherine Eva, George Wright, and Councillors Jon Huish and Brian Smith. The Committee agreed to alter the agenda to accommodate the Chair's Report when the First Minister arrived.
2. The temporary Chair welcomed Members of the European Parliament (MEPs) to the meeting and invited them to outline the main issues that they were involved in before open discussion with the Committee.
3. Glenys Kinnock MEP, informed the Committee that there would be a busy plenary session in Strasbourg next week which would examine the following issues:
 - A report on the regulation and marketing of food and feed products.
 - There would be discussion on some freedom and justice issues in light of protests at European

Union (EU) Council meetings to ensure that individuals have the right to protest. Linked to this would be discussion on the need to tackle the alienation of European citizens towards EU institutions.

- An oral question on fighting terrorism and the revisionary powers of the European Parliament.
- A number of fisheries issues were to be discussed.
- A debate on the World Trade Organisation.
- An agriculture debate on compound feeding stuffs and a report on the marketing of honey.
- A report on the European Food Safety Authority.
- A discussion on the re-exportation of unfit animal feed.
- There was to be a ruling on the France v Britain case on the ban on British beef on 13 December 2001.
- There would be a mid-term review on the Common Agricultural Policy which would examine issues of enlargement, food safety, consumer confidence and environmental compatibility.
- The funding arrangements for providing support to Afghanistan.

1. Jill Evans MEP raised the following points on the work that she was undertaking under the Parliament's Committee structure:

- The temporary committee on human genetics and other new technologies in modern medicine reported to the Parliament on guidelines outlining the social, economic and ethical issues in medicine. The Parliament rejected the report because there was no consensus on these basic issues.
- The Committee on Employment and Social Affairs had been examining issues related to the directive on information and consultation of workers, the European Works Council, financial assistance to small and medium business enterprises and a report into illiteracy. The impact of proposed directives on Wales were regularly misunderstood and the Committee could play an important role in the dissemination of correct information to the public.
- The Committee on the Environment, Public Health and Consumer Policy had examined the new legislation on food and feed products and reported on the involvement and consultation of the public on schemes and plans which affect the environment.
- The Joint Parliamentary Committee with Lithuania had been looking into the closure of nuclear power stations and the involvement of civil society and voluntary organisations in governmental processes. Wales could contribute significantly to this process from its own experiences.
- The Commission were carrying out an in depth study on economic and social cohesion in the Republic of Ireland, which would be of interest to Wales when the report was published.

1. Jonathan Evans MEP outlined the following issues for consideration by the Committee:

- The directive on vibrating machinery would have an impact on the agriculture industry in Wales and would come into effect in 5 years time. The Directive highlighted a lack of understanding amongst officials in the EU concerning the specific needs of those in the agriculture industry in regions such as Wales.
- The Committee on Economic and Monetary Affairs had recently discussed the future of the steel industry. The OECD reported that there was a 20% over capacity in the industry and there was a possibility that President Bush may protect the industry in the United States to allow it to fundamentally restructure.

- State aid and competition policy regimes would apply equally to accession states and current members of the EU.
- There was a possibility that the Parliament may establish a temporary Committee of inquiry into the outbreak and handling of foot and mouth in Europe.
- Lamb exports to Spain have recently been resumed and the Welsh MEPs were endeavouring to re-promote Welsh agriculture throughout Europe.
- Welsh MEPs would benefit from updated information on the sheepmeat negotiations deferred from the last Council meeting which was attended by the Assembly's Minister for Rural Affairs.
- The European Commission had recently undertaken a survey in relation to assessments by business of the regulatory environment in each of the 15 member states. The worst regulatory environment in the EU was considered to be the United Kingdom. The report was available to be circulated to members. The National Assembly could play a practical role in making the regulatory environment in Wales less hostile than in the rest of the UK to the benefit of Welsh businesses.
- The delegation for relations with Japan was of interest to the Committee because of Japanese business involvement in Wales. Japanese business was experiencing economic difficulties such as a downgrading of airlines credit rating. The Japanese economy had also been downgraded within the last seven days by credit rating agencies. The National Assembly should give attention to this issue because of the possible impact that it could have on employment in Wales.

1. Eurig Wyn MEP discussed the following points with the Committee:

- The Committee on Culture, Youth, Education, the Media and Sport had been looking into resources for culture projects. The Commission was currently unprepared to facilitate dialogue on specific ideas being brought forward by small Welsh culture projects. Eurig Wyn undertook to report back to the Committee on this issue at a future meeting.
- It was important that the MEPs were kept informed on the Cardiff bid to be the European Capital of Culture in 2008 to ensure that they could give the bid full support.
- The Committee on Agriculture and Rural Development had been looking at issues concerning the enlargement of the EU to the east. At present there was a deficiency of organisation in funding schemes targeted at the accession states. It was important that the accession states were aware that funding was available for innovative agriculture projects.
- It would be beneficial for a delegation from the Assembly to attend the Committee on lesser used languages and cultures in the future.
- The future of digital television was highlighted at a conference on TV without frontiers. The conference highlighted that there were implications for Wales arising from the increasing use of digital TV.

1. The following points were raised in discussion:

- Members expressed concern about the effect that economic situation in Japan could have on jobs in Wales, while the Chair offered a view that there could be good economic reasons for Japanese business wanting to be in Wales rather than Japan.
- There was room for interaction between Europe, the Assembly and local government for the

Cardiff bid for European City of Culture, 2008. It was important that the European nature of Cardiff was demonstrated and the Committee was confident of the innovative approach being adopted by the Cardiff bid. The UK government would decide on the outcome of the bid in March 2002. The Welsh MEPs were informed that the minutes of the board meeting of the Cardiff City of Culture bid could be requested from the Assembly's Culture Committee.

- The Committee considered the relationship between the European Court of Justice and Wales. The financial arrangements between regional and national governments could be looked at in Council if there was a particular case for the impact of the funding arrangements for Wales.
 - The directive on employee consultation was important in bridging gaps between employers and employees.
 - There may be opportunities for Welsh Universities and Institutions to play a role in the reconstruction of Afghanistan. The EU had identified the basic educational needs of young women in Afghanistan as an area for particular involvement.
 - The Lisbon Summit considered issues for small and medium business enterprises such as job creation, national employment plans and enhancing relations with European Trade Unions. It was important that the support, which was available to these businesses, was highlighted at a European level.
 - Jill Evans MEP undertook to provide the Committee with a summary of the activities of the Committee on Employment and Social Affairs.
1. The temporary Chair outlined the value of the meeting in Brussels with the MEPs and noted that the next meeting was scheduled for 13 February 2002, to coincide with the MEPs constituency week.

Item 2: Governance

1. The First Minister assumed the role of Chair for the remainder of the meeting. The Chair welcomed Jerome Vignon, the Leader of the European Commission's Governance Team, who made a presentation to the Committee on the Commission's perspective on the governance debate.
2. The White Paper had been produced in the context of the European integration process progressing through engagement with its citizens. It was important to reduce the democratic deficit by ensuring that the EU was accountable and accessible. Citizens feel alienated from European institutions and were not taking onboard the contribution and experiences of Europe. It was important that consideration was given to the competencies of European institutions to ensure that citizens were aware of the work that they do and how they do it, individually and collectively. The White Paper had therefore been produced to incorporate ideas using an inclusive, bottom-up approach to policy making. This approach required contributions from regional and local actors and looked at the decentralisation of European policy areas. Regional and local actors were increasingly networking which had increased integration and co-operation across Europe although the role of national government in facilitating this process was important. Regional authorities could facilitate the process of bringing Europe closer to its citizens and help to integrate east European accession countries into the EU. The White Paper did not advocate a federation of European regions; it recognises that nation states were the essential building blocks now and in the future process of integration of Europe to the East.
3. There were three core action points for regions which were outlined in the White Paper:

- The role of regional and local actors in the preparation of national policies was examined. The Committee of the Regions could undertake a formal consultation role, through a system of evidence gathering, to assess the role that regions could play in shaping national policies. The Commission was also targeting European wide networks, such as the Conference of Peripheral and Maritime Regions, as part of an informal consultation process on the White Paper. Wales could contribute to the debate on the White Paper through this informal forum.
- It was important that European policy was made more flexible to ensure that it could be adapted to comply with regional implementation practices. To a degree, European legislation needed to be homogenous although the ability for regions to adapt policies to address their own needs was important. The White Paper suggested that tri-partite contracts at the European, national and regional level could provide a means of introducing flexibility into policy. Tri-partite contracts would be implemented as part of a European programme of flexible and simple legislation. The Committee of the Regions could also look into the implementation of European legislation at regional levels through a formal consultation and audit process.
- It was important that the European Union adopted a coherent approach towards the implementation of policy through a framework of shared competences. The competences of European institutions, nation states and regional authorities needed to be defined in order to achieve this aim.

1. The Committee made the following observations in discussion with Jerome Vigon:

- The competences of European institutions, member states and regional authorities needed to be clarified. A structured approach was needed to ensure that there was clear delineation of shared competences. It was the responsibility of member states to involve regions in this consultation process.
- Tri-partite contracts were aimed at simplifying the legislative process. Regions would be trusted to pursue their own methods of achieving the aims outlined in executive legislation. Wales could lobby to participate in the first round of tri-partite contracts to influence the formation and content of the contracts.
- It was important to note that the White Paper was a consultation document.
- It was important that the principle of subsidiarity was implemented over the whole of the EU. There needed to be a system to ensure that member states consulted regional actors on an equal basis across the Union.
- The Economic and Social Committee could play a role in the consultation and audit process on the implementation of European legislation.

1. The Chair welcomed Xavier Gizard, the Secretary General of the Conference of Peripheral and Maritime Regions (CPMR), to the meeting. This was the first meeting between the Committee and the CPMR since Wales joined the organisation.

2. The Secretary General outlined the CPMR's response to the White Paper:

- The CPMR had welcomed the White Paper because it constituted an acceptable basis for debate, which included consultation with regional and local authorities. The principals and commitments outlined in the White Paper were also welcomed by the CPMR, particularly the commitments to

strengthen the role of the regions in the legislative process and simplify inter-regional co-operation programmes.

- The CPMR had co-ordinated an inquiry to ensure that all of the regions of Europe have been consulted on the White Paper. This consultation has been important because the CPMR believe that there has not been enough consultation with regions on the White Paper in most member states.
- The White Paper was part of an important process of defining the role of the regions in the European institutional framework.
- The CPMR was working with the Regional Directorate-General (DG) to formally constitute a code of consultation for the regions in Europe as part of the governance White Paper. A working group was also being established with the Regional DG to look at the implementation of tri-partite contracts, which the Assembly was invited to join.

- The CPMR was liaising with the Environment DG on the shaping of policies for implementation at a regional level.
- The CPMR, the Conference of Regions with Legislative Powers and other regional organisations were working informally to reinforce the role of the Committee of the Regions after its election in the New Year.
- The role of regions in Europe was likely to be considered at the Laeken summit and the 2004 Inter Governmental Conference.
- The CPMR would be meeting with representatives of the Commission in 2002, concentrating on the impact of the White Paper on transport issues and Common Agricultural Policy and Agriculture.
- The CPMR had worked over the last thirty years to reinforce the participation of citizens in the European legislative process through regional tiers of government.

1. The following points were raised in discussion with the Secretary General:

- The CPMR did not want a formalisation of roles in the EU. The CPMR accepts that certain competencies need to be delineated although the majority of competencies should be shared. There should be an increase in the use of subsidiarity.
- The CPMR encouraged the communication of governance issues to citizens in Wales.
- Local government could play an important role in ensuring that citizens were not increasingly disengaged from the political process. The Committee of the Regions had representatives from Welsh Local Government as members.

1. The Committee discussed the best way for the Assembly to respond to the White Paper on Governance:

- It was important to have a plenary debate on the White Paper to ensure all Members had the opportunity to contribute to the response. Jerome Vignon outlined that a formal view from Wales on the substance of the White Paper would be the most appropriate method for contribution from the Assembly.
- A paper would be commissioned for discussion at the next meeting which listed the salient points of the governance debate for the Committee to consider.

- A paper outlining the discussions held with Jerome Vignon and Xavier Gizard would be commissioned for the next meeting.
- The Committee would invite written submissions for consideration at the meeting on the 13 February 2002 from public and private sector bodies across Wales on the contents of the White Paper.
- Regional Committee Chairs would be informed of the importance of the issue and invited to consider the White Paper at a future meeting.
- Gary Davies informed the Committee that there would be a European forum event with the Welsh Local Government Association on issues of governance on 15 February 2002.

Item 3: Chair's Report

Paper: EUR-06-01(p1)

1. The Committee noted the report.

Item 4: Minutes of previous meeting

Paper: EUR-05-01(min)

1. The Committee agreed the minutes of the last meeting with one amendment. The importance of the Committee reaching a decision on linking with another region would be emphasised in the minutes.
2. The Chair noted that the Clerk to the Committee, Russell Keith was leaving the Assembly. The Committee thanked the Clerk for all of the work that he had accomplished over the past year.

The meeting concluded at 12.30pm.