# **European & External Affairs Committee**

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Date: 10 May 2006

Venue: Committee Room 2, Senedd, Cardiff Bay

Title: Minister's Report

# **Purpose**

1. To provide an update on a range of issues arising since the last meeting of the Committee.

#### Recommendation

2. That members note the content of the report.

# **Background**

3. The Committee last met on 6 April 2006. This paper provides an update.

# **First Minister's International Activities**

# 24 - 26 April 2006 European Conference on Quality in Survey Statistics

I addressed an international audience of over 420 statisticians and methodologists at the European Conference on Quality in Survey Statistics, held at the City Hall, Cardiff.

# 26 April 2006 Meeting with His Excellency, Zha Peixin, Chinese Ambassador to the UK

I had lunch with His Excellency Zha Peixin, the Chinese Ambassador to the UK, at the Embassy in London. We discussed a number of Wales – Chinese issues, and in particular, the MOU between Wales and Chongqing.

# 9 May 2006 Europe Day Reception

I attended a reception at the European Commission's office to mark Europe Day.

#### Other Issues

Services Directive – The European Commission and the European Parliament have agreed upon a revised draft of the Services Directive. The full text is available on the European Commission's Europa website.

The Services Directive is designed to remove legal and administrative barriers to service providers enabling the freedom of establishment in other member states and the free movement of services across the EU. It will fulfil these two fundamental objectives that were written into the Treaty of Rome 50 years ago.

The services sector represents an estimated 66% of EU GDP and 75% of EU jobs and the Commission believes that lifting restrictions on businesses in this way will promote jobs and economic growth.

The history of the directive has been complex and controversial. The original ambitious proposals drafted by Commissioner Bolkenstein in 2004 said that under the directive services would be provided under the laws of the country of origin of the provider rather than the country in which the service is provided. This was very controversial because of the different standards and levels of existing regulation across the EU.

At the first reading of the directive in February 2006 in the European Parliament dropped the country of origin principle in favour of a "freedom to provide services" and also reduced the number of sectors to which the directive applies.

Subsequently, the Commission proposed a revised text largely adopting the Parliament's recommendations.

The revised Commission draft excludes the following sectors:

All financial services

Electronic communications and networks

Transport services and port services

Healthcare services

Services of temporary work agencies

Audiovisual services

Gambling services

- Activities connected with the exercise of official authority
- Social services relating to social housing
- Childcare and support of families and persons in need
- Private security services
- **Taxation**
- Labour law and criminal law.
- One area in which the Parliament and Commission differ is with regard to legal services. The Parliament excluded this from the directive but the revised Commission proposals include it.
- The original proposals which would have made it easier for service providers to send their domestic workforce into other member states has been dropped. The Commission will instead bring forward guidelines on the implementation of the Posted Workers Directive.

### **Next Steps**

The Austrian Presidency hopes that the text can be endorsed at the May or June Competitiveness Council without significant changes. Discussion at the informal

competitiveness Council on 22 April showed that there was broad consensus for the Commission's revised proposal, bar some technical details and that these should be resolved by COREPOR and by working groups held in parallel. In which case, completion of the European Parliament second reading would be in June.

#### **Britain in the EU Website**

A new website providing straightforward, factual and accessible information on the European Union has been launched by the Foreign and Commonwealth Office. This website was created after findings from a Eurobarometer poll revealed as many as 60% of the public feel they do not understand how the EU works and would like to have more information about it. www.europe.gov.uk

# Romania and Bulgaria

The European Commission will report on Bulgarian and Romanian preparations for accession on the 16 May. The date of accession will be either 1 January 2007 or 1 January 2008 for either or both countries. It is expected that the June European Council will take the final decision on date. At this stage, we only

expect a recommendation on the "super safeguard" that could delay accession from 1 January 2007 to January 2008. The report may set out a range of safeguard options available to the EU, under the terms of Romania and Bulgaria's accession treaty to address remaining areas of concern, with specific details (and any recommendations), to be agreed nearer the time of accession. Any recommendations on post accession safeguards would most likely be made in the autumn.

# **European News**

EU visa ban for Belarus leaders – the foreign ministers of the European Union, have extended a visa ban on Belarus officials, to include President Alexander Lukashenko and 30 ministers, prosecutors and election officials following the country's recent elections which were described by Europe's main election monitoring body as "severely flawed". Further steps remain a possibility, such as a freezing of assets of the Belarussian leadership.

France to scrap youth job law – French President Jacques Chirac has announced that the new youth employment law that sparked weeks of sometimes violent protests will be scrapped. The law, known as the First Employment Contract or CPE, would be replaced by other measures to tackle youth unemployment.

Italian Elections – Romano Prodi has been declared official winner of the Italian parliamentary election after an extremely close race. The official result has been confirmed by the Italian Supreme Court. The count gave Mr Prodi 158 Senate seats, against 156 for Silvio Berlusconi. However, Mr Prodi will not be in a position to appoint ministers and begin to govern the country, until a new Italian head of state is elected in May.

Hungarian Elections – the Hungarian government has won a second term of office, having taken 210 of the 386 parliamentary seats. It is the first time a government has been re-elected since democracy was restored in Hungary in 1990.

# Rhodri Morgan AM First Minister

# **EEAC FIRST MINISTER'S REPORT**

Date Assembly Minister/ Official/ Division	Event	Objectives	Outcomes
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8-12 April 2006	April Education	Visit to Lesotho, Southern Africa	The visit would enable the Minister to strengthen the links at a Ministerial level between Wales and Lesotho, discuss and observe the sixmonth teacher placement programme and observe the work of Dolen Cymru who operate the teacher placement programme on the Assembly Government's behalf in conjunction with the British Council.	The visit allowed the Minister:  To see how the teacher placement programme operates on the ground;  To provide for an independent viewpoint on the scheme and to see the way it is being operated by Dolen Cymru;
			The Commonwealth Parliamentary Association (CPA) recently sent a delegation to Lesotho where they visited the schools where teachers from Wales were based. The Association felt that there was high potential to develop mutually beneficial	To see the impact that the experience is having on the teachers, in terms of their continuing professional development and the impact the teachers are having on the schools and communities where they work;
			links between, schools, colleges and universities in the two nations and the Minister's proposed visit would enable discussion on this to take place.	To consider whether the programme is of particular benefit to newly qualified teachers;
			The draft Welsh International Sustainable Development Framework (currently out to consultation) will seek to encourage Assembly Government Departments to investigate ways of linking with Sub-Saharan Africa and	To see if the programme is improving the teachers' awareness of the issues facing communities in developing countries and thus their ability to teach global citizenship in an innovative way in schools in Wales;
		also to measure the impact. This visit will enable the Minister to do both.	Increase the profile of this new scheme to encourage more Welsh teachers to consider visiting Lesotho	

				in the future;
				Help determine the need for fine-tuning of this three- year pilot programme and/ or possible adaptation of the scheme in the future;
				To best determine what the Assembly can do in practical terms to help further;
				To further forge mutually beneficial links between schools, colleges and universities in the two countries.
				To see at first hand the effects of the HIV/AIDS pandemic on the teaching population and the impact of famine on education for all.
				Further develop links between Wales and Sub- Saharan Africa with regard to sustainable development.
24-26 April 2006	First Minister	European Conference on Quality in Survey Statistics, Cardiff	Addressed an international audience of over 420 statisticians and methodologists.	

25 – 28 April 2006	Minister for Finance, Local Government and Public Services	Visit to Sweden with members of the Local Government and Public Services Committee	The Committee will study the role of town and community councils in local service delivery, the funding of local government in Sweden and the role of town and community councils in encouraging democratic participation and hold meetings with officials at the international Institute for Democracy and Electoral Assistance.	
26 April 2006	First Minister	Meeting with His Excellency, Zha Peixin, the Chinese Ambassador to the UK	To discuss a number of Wales  – Chinese issues, in particular the MOU between Wales and Chongqing	
27-28 April 2006	Minister for Education Lifelong Learning and Skills	Regional and Minority Languages in Education Systems Conference, Brussels	Demonstrate political level support for event focussed on regional and minority languages.  Press for new generation of funding streams to adequately support projects from regional and minority language communities.  Provide Welsh perspective to current Commission policy on multilingualism.	The aim of the conference is to formulate a set of practical recommendations which will emerge from thematic workshops on, for example, bilingual and multilingual education, teacher training and lifelong language learning.

April 2006	Minister for Education, Lifelong Learning and Skills	European Commission Conference on Regional and Minority Languages in education systems, Brussels	The Minister will give the key-note speech alongside the Commissioner at this conference. This will provide an opportunity to promote our experience of using and teaching the Welsh language in our education and training systems. It will also allow the Minister to give a Welsh perspective on the Commission's policies and projects in the field of multilingualism.	To promote Wales' significant and internationally recognised experience as regards minority languages in education systems; to contribute to the European debate in this field; to further cement relationships with the EU Institutions, notably the Commission, as well as other relevant regions; to promote the regional and minority language agenda in the context of both the current Commission policy on multilingualism and future EC funding programmes.
9 May 2006	First Minister	Reception at the European Commission's office in Wales	Reception to mark Europe Day.	