



**Cynulliad Cenedlaethol Cymru
Y Pwyllgor Materion Ewropeaidd ac Allanol**

**The National Assembly for Wales
The Committee on European and External Affairs**

**Dydd Mercher, 28 Chwefror 2007
Wednesday, 28 February 2007**

Cynnwys
Contents

- 4 Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions
- 4 Cofnodion y Cyfarfod Blaenorol a Materion sy'n Codi
Minutes of the Previous Meeting and Matters Arising
- 5 Adroddiad y Prif Weinidog
First Minister's Report
- 17 Adroddiad ar yr Adolygiad Polisi
Policy Review Report
- 19 Adroddiad Blynyddol, Papur i'w Drosglwyddo i'r Trydydd Cynulliad a Rhaglen
Waith y Comisiwn Ewropeaidd 2007
Annual Report, Legacy Paper for Third Assembly and European Commission Work
Programme 2007
- 23 Adroddiad Blynyddol, Papur i'w Drosglwyddo i'r Trydydd Cynulliad a Rhaglen
Waith y Comisiwn Ewropeaidd 2007
Annual Report, Legacy Paper for Third Assembly and European Commission Work
Programme 2007
- 23 Y Wybodaeth Ddiweddaraf gan Aelodau Pwyllgor y Rhanbarthau
Update from Members of the Committee of the Regions
- 27 Ei Ardderchowgrwydd Robert Holmes Tuttle, Llysgennad yr Unol Daleithiau yn y
Deyrnas Unedig
His Excellency Robert Holmes Tuttle, United States Ambassador to the United
Kingdom
- 32 Margot Wallström, Comisiynydd, y Comisiwn Ewropeaidd
European Commission Commissioner Margot Wallström

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau Cynulliad yn bresennol
Assembly Members in attendance

Rosemary Butler	Llafur Labour
Jeff Cuthbert	Llafur Labour
Janet Davies	Plaid Cymru The Party of Wales
Michael German	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Sandy Mewies	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)
Rhodri Morgan	Llafur (y Prif Weinidog) Labour (the First Minister)
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales

Swyddogion yn bresennol
Officials in attendance

Des Clifford	Pennaeth Swyddfa Brwsel yr UE, yr Is-adran Materion Ewropeaidd ac Allanol Head of EU Brussels Office, European and External Affairs Division
Anna Daniel	Pennaeth, Swyddfa UE Cynulliad Cenedlaethol Cymru Head, National Assembly for Wales EU Office
Gary Davies	Pennaeth, yr Is-adran Materion Ewropeaidd ac Allanol Head, European and External Affairs Division
Andy Klom	Pennaeth, Swyddfa'r Comisiwn Ewropeaidd yng Nghymru Head, European Commission Office in Wales
Terri Thomas	Pennaeth, yr Is-adran Polisi Cefn Gwlad Head, Countryside Policy Division

Eraill yn bresennol
Others in attendance

Maria Tuttle	Gwraig Llysgennad yr Unol Daleithiau yn y Deyrnas Unedig Wife of the United States Ambassador to the United Kingdom
Ei Ardderchowgrwydd / His Excellency Robert Holmes Tuttle	Llysgennad yr Unol Daleithiau yn y Deyrnas Unedig United States Ambassador to the United Kingdom
Margot Wallström	Comisiynydd, y Comisiwn Ewropeaidd Commissioner, the European Commission

Gwasanaeth y Pwyllgor
Committee Service

Chris Reading	Clerc Clerk
Sarah Bartlett	Dirprwy Glerc Deputy Clerk

*Dechreuodd y cyfarfod am 9.30 a.m.
The meeting began at 9.30 a.m.*

Cyflwyniad, Ymddiheuriadau a Dirprwyon Introduction, Apologies and Substitutions

[1] **Sandy Mewies:** Good morning, everyone. I welcome you all, especially the members of the public who are attending. I remind everyone that, as usual, headsets are available. You will be able to hear a translation of any Welsh spoken through them, and they can also be used for sound amplification for those who are hard of hearing. Translation is available on channel 1, and the proceedings are on channel 0. Ushers will assist members of the public if they have problems with their headsets. If committee members or presenters experience any difficulties, ask the deputy clerk, Sarah. Welcome back, Sarah; it is nice to see you here again. I ask everyone to switch off completely all electronic devices, such as mobile phones, BlackBerrys and so on. Please do not switch these to silent mode, because they will still interfere with the sound equipment. I also remind Members and presenters—I know we all do it—not to touch the buttons on the microphones because they work automatically.

[2] We shall take a 30-minute break at about 11 a.m., when refreshments for Members and presenters will be available in meeting room 8. We have a photo opportunity with the American Ambassador immediately after the break. Should there be an emergency, an alarm will sound and ushers will direct everyone to the nearest safe exit and assembly point. We have not been notified of any fire alarm checks, so if the alarm sounds it will be genuine.

[3] We have had apologies from Nick Bourne, Ieuan Wyn Jones, Christine Gwyther and Jonathan Morgan, and from the Members of the European Parliament, Jonathan Evans, Jill Evans, Eluned Morgan and Glenys Kinnock. We have all received European brief number 18, prepared by the Members' research service, which gives a summary of European Union business considered by other committees since our last meeting.

[4] We had a meeting yesterday, which I was unable to attend, of the chairs of European committees. As you know, we try to organise that on a regular basis. It was the turn of the House of Lords yesterday to host the meeting, and Chris attended on our behalf, so I shall ask him to say a few words about it.

[5] **Mr Reading:** The meeting was very useful. It was attended by my fellow clerks from the other European scrutiny committees in the House of Lords, Scotland and Northern Ireland, and by Lord Grenville, the Chair of the House of Lords committee, and Linda Fabiani, the convener of the Scottish European committee. We discussed matters of common interest, and the gist of the discussions was that, after the elections, when the new successor committees in the National Assembly for Wales and the Scottish Parliament are in existence, we will all try to work and collaborate more closely, and we will try to hold meetings that concentrate on matters such as subsidiarity and how we can better scrutinise the European Commission's work programme and better co-ordinate our own work programmes.

9.33 a.m.

Cofnodion y Cyfarfod Blaenorol a Materion sy'n Codi Minutes of the Previous Meeting and Matters Arising

[6] **Sandy Mewies:** Are Members content with the minutes? I see that they are. We have a summary of actions outstanding. Chris will deal with any queries that you might have on those. The clerk will deal with any matters that are still outstanding after the meeting, and we will keep people informed as to what is going on as best we can.

*Cadarnhawyd cofnodion y cyfarfod blaenorol.
The minutes of the previous meeting were ratified.*

Adroddiad y Prif Weinidog First Minister's Report

[7] **Sandy Mewies:** Moving swiftly on, welcome, First Minister. Please give your report.

[8] **The First Minister:** I shall concentrate for now on how we are celebrating St David's Day. We are almost making a week of it. I am pleased that Des Clifford is here with me this morning, because, on Monday, we opened the week with the annual reception in Brussels for the Welsh community there, our MEPs, Welsh secondees and employees of the European Commission and other European institutions, our opposite numbers in the other regions and nations, representatives of Welsh local government, and so on. It was a sort of advertisement for the best in Welsh food and drink. The chef, Angela Gray, had prepared a very good buffet.

[9] The key point is that, when some much larger European countries—I will not name any—celebrate their national days, they just about reach double figures at their receptions. Our reception is probably the most popular on the Brussels scene—that may be to do with the quality of the food that is served, and the beer that we bring over from Wales, I am not sure. However, one way or another, and even more so than in previous years, it was an extraordinarily successful reception. Unfortunately we could not stay until the end; we had to catch the last flight back to Bristol airport at 9.50 p.m., so we left at 7.45 p.m., but it was still in full swing when we left. It is a good advertisement for Wales, and a good meeting point for people from Wales who work in Brussels, in various institutions and companies, as well as people with whom we have dealings, and the Members of the European Parliament from Wales. There was very good musical back-up from the Royal Welsh College of Music and Drama.

[10] The second part of the St David's Day celebrations is obviously the day itself, but at the end of the week we are having a late St David's Day celebration in New York. I will be there for three days, but I think that the length of the Welsh festival that we are putting on is about 10 days in all, so I will be there on Thursday, Friday and Saturday. I will be giving a lunch at the United Nations and a lecture at Columbia University. It is all part of this general promotion of Wales, because we get a special opportunity to do that in the United States—the USA is very good at recognising national days, which is one of the reasons why their ambassador is here. They are keen on people's roots in the 'old country' in continents such as Europe, and so on. It is important to the American population to remember its roots, whatever those roots happen to be, and if they are Welsh, then obviously people take enormous pride in that. We are trying to catch up with the sheer power of numbers of the Irish and the Scottish; we do not have that power of numbers because we did not have the giant diasporas that Scotland and Ireland had in the eighteenth and nineteenth centuries. We had a diaspora, but it was probably only one tenth of the diasporas of Scotland and Ireland—if that. So it is important to make that link, given the relatively modest nature of the diaspora, and we are trying to explain to people which country put the Ellis into Ellis Island, as it were, through which all the immigrants came to America. It is named after a Welshman, and we need people to understand these various links that we have better than they have been understood hitherto.

[11] Then there are the other ways in which the Foreign and Commonwealth Office and our own mini-offices—which are here and there all over the world, and which have been set up for the purposes of attracting tourism and economic development—can use this week as if it were a single day, making the day a bit flexible throughout the week, really, to help

celebrate St David's Day. However, this week in Brussels, St David's Day happened to coincide with the commencement of serious negotiations on the approval of the bids for the European structural fund, and we are keen that rapid progress should be made on that. That approval comes in two parts: for the European regional development fund, and then the social fund, and sometimes they tend to drift apart a bit, and at other times they tend to come together. Then of course there is the rural development plan, which we can come onto later, which also has to interlock as best it can with the ESF and the ERDF—I will bring Terri Thomas in a bit later on that.

[12] Serious negotiations, therefore, started on Monday. I was not doing the negotiating, but I was getting reports back during the day on how it was going. The European Commission officials in the two lead departments—those of regions and social funds—have already written to all the other departments and services, asking for comments, whether adverse or constructive, on the Welsh structural fund bid. They have had some of those preliminary comments back. So negotiations are intense, and they will continue to be intense, on both the RDF and the ESF, and they appear to be going okay. However, there are arguments, for example, over what proportion of the total structural funds budget should be earmarked for Lisbon agenda purposes; the European Commission says that it should be very high, but we say that it is already high. That is the nature of negotiations. However, we continue to believe that we are up there among the first regions to have structural funds bids in place to be seriously considered in the negotiations, and we hope, therefore, that they will be able to come to a swift conclusion. However, you cannot predict a conclusion, because intense negotiations mean exactly that. Therefore, that was the main part of it.

9.40 a.m.

[13] I do not know whether it would be a good idea to ask Terri Thomas to comment on the rural development plan now; that is on a different timetable, because I do not believe that that will be a formal bid until July. Would that be convenient for the committee now?

[14] **Sandy Mewies:** Yes, that would be useful. Welcome, Terri. I think that now is the right time to do this.

[15] **The First Minister:** Okay. Terri, do you want to add rural development plan complementarities?

[16] **Ms Thomas:** The paper that has been put to committee is fairly self-explanatory. The point is that the rural development plan is a peculiar and different document. It is tightly constrained, and is focused on agriculture, the farming community and the environment. It comes from a different source—it comes from the common agricultural policy, not from the structural funds. Therefore, whereas the prime driver for convergence is the Lisbon agenda, for us it is the Gothenburg agenda; Lisbon has to be brought into it, but it is not the key focus. That tends to mean that we are looking at environmental issues, predominantly for landowners, and to add value to what we produce from the land. So this is lamb, meat, and so on.

[17] The timescale is different for us, as the First Minister said, for two reasons: because we have some ongoing debate in the Assembly about how the budget should be allocated across the rural development plan, but also because the European Commission is still considering an issue called voluntary modulation. That is likely to go on for some time yet. The point of contention is that this is an additional cut from the direct payment that a farmer receives. It is up to each member state whether or not it uses it and, therefore, the European Parliament does not particularly like it. Therefore, although we started off with the same timescale, we are now on different ones. There is no reason whatsoever why the approval of the structural funds operational programme would in any way be held up by what is

happening on the rural development plan. I stress that that will have no effect—that is fine.

[18] On the links between the programmes, because the RDP—which is our shorthand for it—comes from a different source and has a different intent, we do not feel that there are significant issues, and our initial discussions in the Department for Environment, Planning and Countryside with the commission have carried this out. There are no real contentious areas for us in terms of complementarity and demarcation. Much of what we do, as I said, is about land management and the environment, which is a completely different focus to that on environmental activities that we have under the structural funds. It is about the primary processing of agricultural products, which is slaughter and cutting, so it does not get caught up in European regional development fund rules on processing and making food products. It is about helping farmers and foresters to be better farmers and foresters; again, that is outside the remit of the European social fund or the European regional development fund.

[19] The only area where we have a potential overlap is on our wider rural community regeneration. As the commission has put population threshold limits on what we can do—we cannot go over an area with 150,000 people in it—we have a separation on matters of scale, where we will work predominantly within a local authority area, whereas the structural funds will work at a more spatial plan and strategic level. Therefore, I believe that we will be able to achieve a good fit between the two programmes, without too much difficulty with the commission, although, as the First Minister said, you never know.

[20] **The First Minister:** This is still a work in progress, and it is not over until it is over, as they say.

[21] I will mention two other issues before opening it up to questions, and so on. First, it is becoming clear now that the Barroso commission, which ends at the end of 2008, I believe—is that correct, Des?

[22] **Mr Clifford:** It is 2009.

[23] **The First Minister:** The Barroso commission will try to major on a specific theme, namely climate change. It will try to get a clear European machinery within Europe, but it will also try to get the European Union to be in the lead in bargaining to bring in India, China, Brazil, the USA, and the other countries that are, so far, reluctant committers to emissions control worldwide. The Barroso commission would like to see Europe achieving something in bringing the whole world into a global-warming control scenario, emission trading scheme, or whatever it turns out to be—a successor to Kyoto, which does not expire for a while, but which does not have all global continents or big countries and big players in it.

[24] The other thing that flows from that is that the Barroso commission will not try to establish any kind of early reforms of the EU budget. Therefore, in terms of the changes to the common agricultural policy, which everyone thought would happen towards the end of this decade, it will probably be the successor to the Barroso commission—that does not mean that it will not be led by Barroso, but it will be a newly appointed commission—that will lead on the commencement of the reform of the financial package for the next financial perspective, to run from 1 January 2014 to 2021. The present commission believes that it is premature to do that—its members want to be seen as the climate-change commission.

[25] **Rhodri Glyn Thomas:** Mae gen i nifer o gwestiynau yn ceisio eglurhad am y sefyllfa o ran y cynllun datblygu gwledig. Mae Senedd Ewrop wedi pleidleisio ddwywaith, yn Ionawr a Chwefror, gyda mwyafrif llethol, i wrthod y rheoliad ynglŷn â **Rhodri Glyn Thomas:** I have several questions seeking an explanation of the situation in terms of the rural development plan. The European Parliament has voted twice, in January and February, with a massive majority, to reject the regulation on

modiweiddio gwirfoddol. Er nad oes rhaid i'r aelod wladwriaethau gymryd sylw o hynny, mae gan Senedd Ewrop hawliau cyllidebol ac y mae wedi gosod trothwy o 20 y cant o'r gyllideb, sydd â goblygiadau mawr i Gymru.

[26] Ar hyn o bryd, mae cyfnod o oedi tan fis Gorffennaf. Mae rhai pobl yn dweud nad yw'n debygol y bydd unrhyw gytundeb yng Ngorffennaf ac efallai na fydd cytundeb tan yn hwyrach yn 2007. Sut mae Llywodraeth Cymru yn mynd i edrych ar y sefyllfa o ran yr oedi rhwng y rhaglen bresennol a'r rhaglen newydd? Unwaith y cymeradwyir y rhaglen newydd, a fydd modd hawlio arian yn ôl at 1 Ionawr 2007, fel sy'n debygol o ddigwydd gyda'r rhaglen cydgyfeirio?

[27] Pa gyngor sydd gan y Prif Weinidog i'w gynnig i grwpiau gweithredu ac i lywodraeth leol sydd ar hyn o bryd yn paratoi cynlluniau datblygu gwledig ar gyfer eu hardaloedd hwy eu hunain? Bydd yr oedi hwn yn effeithio ar hynny. Mae gan yr oedi oblygiadau mawr o ran taliadau Tir Mynydd—er yr holl drafodaethau yr ydym wedi eu cael ynglŷn â hwy—ac o ran pryd gall cynllun datblygu gwledig Llywodraeth Cymru fynd gerbron Senedd Ewrop.

[28] Yn olaf, a ydym yn glir yn awr ynglŷn ag arian cyfatebol ar gyfer y cynllun datblygu gwledig?

[29] **Y Prif Weinidog:** Atebaf y cwestiwn hwnnw ar ôl i Terri ymateb ar y cynllun datblygu gwledig a modiweiddio gwirfoddol.

[30] **Ms Thomas:** On the voluntary modulation regulation, you are correct that the European Parliament has rejected it on a number of occasions. We now know that there are tripartite discussions taking place, between the presidency, the commission and the council, about how they can come up with a compromise text on this. It is not entirely clear whether the European Parliament has an outright objection to the principle of voluntary modulation or the conditions that are attached to it. I am going to Brussels for a committee meeting on Monday, at which we should see the first of the compromise texts. However, there is no promise on that because I have not seen the papers yet. We hope that there will be a Council of Ministers discussion on it towards the end of the month, but, again, that is subject to European Commission timetables, so it may not be until early April. They are hoping that they can reach an agreement. In any event, as far as Wales is concerned, we would not be looking at a significant amount of voluntary modulation, in terms of the percentage. Although we have the 20 per cent ceiling put on it, we would not come anywhere near that level. If necessary, we could probably proceed, at least for the first year, without applying voluntary modulation. The figures are still uncertain, simply because these discussions are ongoing. In

voluntary modulation. Although the member states do not have to pay heed to that, the European Parliament has budgetary rights and it has set a threshold of 20 per cent of the budget, which has huge implications for Wales.

At the moment, there is a deferral until July. Some say that it is unlikely that there will be agreement in July and there may not be an agreement until later in 2007. How will the Government of Wales look at the situation in terms of the delay between the current programme and the new one? Once the new programme is approved, will it be possible to backdate claims to 1 January 2007, as is likely to happen with the convergence programme?

What advice does the First Minister have to offer the action groups and local government that are currently preparing rural development plans for their areas? This delay will affect that. The delay has great implications for Tir Mynydd payments—despite all the discussions that we have had about them—and for when the Welsh Government's rural development plan will be able to go before the European Parliament.

Finally, are we clear now about match funding for the rural development plan?

The First Minister: I will answer that question after Terri has come in on the rural development plan and voluntary modulation.

terms of being able to claim funding back, yes, we can do so.

9.50 a.m.

[31] Once you believe that you have an approvable rural development plan, which the commission will accept, you can commence payment at your own risk. That means that you pay out of Assembly Government funding to start your activities—to pay the Tir Mynydd payments and so on—and then you claim back the European funding later. However, you will get it back. The question there, of course, is about exactly how large the risk is. This is where the complication lies. Prior to the Environment, Planning and Countryside Committee's deliberations tomorrow on the budget for Tir Mynydd and the reallocation within the Tir Cymru budget expenditure line, it is difficult to prejudge. We have to honestly believe that we have a rural development plan that the commission will accept, and, on that basis, we will judge risk. That largely picks up on the point about the position for the local groups and local authorities as well. We know that this makes things different. The Minister for Environment, Planning and Countryside's intention is to work on the basis that we will pay and start schemes, but, prior to tomorrow, I cannot comment much further on that, unfortunately.

[32] **Y Prif Weinidog:** O ran y cwestiwn am yr arian cyfatebol, ni allaf ychwanegu llawer yn awr, oherwydd bydd y trafodaethau a ddechreuwyd ddydd Llun yn setlo'r mater o faint o arian cyfatebol sydd ei angen. Pa ganran o'r rhaglenni yn y cronfeydd strwythurol gwahanol, neu yn ein cais ni, ddylai gael ei chlustnodi at ddibenion agenda Lisbon, er enghraifft? Bydd gan y cwestiwn hwnnw oblygiadau o ran faint o symud a fydd yn y rhaglen fel ag y mae wedi'i gosod yn awr. Hynny yw, ar ddiwedd y trafodaethau, faint o arian fydd angen i ni ei symud o un rhaglen i raglen arall? Bydd gan hwnnw oblygiadau hefyd, o ran faint o gyfraniad i'r arian cyfatebol a ddaw oddi wrth y sector preifat, a bydd gan hwnnw oblygiadau wedyn o ran graddfa'r gyfradd ymyrryd y bydd Ewrop yn ei derbyn ar gyfer hyn a hyn o raglen. Felly, dim ond wedi inni setlo'r holl gwestiynau hynny y byddwn yn gwybod faint o arian cyfatebol ychwanegol sydd arnom ei eisiau yn y pen draw. Mae hwnnw wrth galon y trafodaethau berw a ddechreuwyd ddydd Llun ac a fydd yn parhau dros yr wythnosau, efallai'r misoedd, nesaf.

The First Minister: On this question of match funding, there is not much that I can add at the moment, because it is the discussions that began on Monday that will settle this question of how much match funding is required. What percentage of the programmes in the various structural funds or in our bid should be allocated to the Lisbon agenda, for example? That question will have implications for how much movement there will be in the programme as it currently stands. That is, at the end of the discussions, how much money will we need to move from one programme to another? That will also have a knock-on effect as regards how much match funding is provided by the private sector, and that, in turn, will have implications for the degree of intervention rate that Europe would accept for X amount of a programme. Therefore, only after we have settled all of those questions will we know how much additional match funding is required at the end of the day. That is at the heart of the heated discussions that were started on Monday and which will continue for the next few weeks, or maybe the next few months.

[33] **Rhodri Glyn Thomas:** Mae'r datganiad y bydd modd hawlio'r arian yn ôl—mewn egwyddor o leiaf—i 1 Ionawr yn newyddion da iawn. Derbyniaf fod rhaid gwneud asesiad risg, a derbyniaf hefyd yr hyn y mae'r Prif Weinidog yn ei ddweud am y trafodaethau am arian cyfatebol. A wnaiff y Prif Weinidog ymrwymo i wneud datganiad pendant cyn gynted ag y bo modd? Mae'r

Rhodri Glyn Thomas: The statement that it will be possible to claim funding back to 1 January—in principle at least—is very good news. I accept that there will be a need for a risk assessment, and I also accept what the First Minister is saying regarding discussions about match funding. Will the First Minister give a commitment that he will make a decisive statement as soon as possible? This

ansicrwydd hwn yn peri pryder i lawer o bobl, nid yn unig amaethwyr ond hefyd y grwpiau gweithredu, ac awdurdodau lleol. Felly, byddwn yn gwerthfawrogi datganiad clir o ran yr hyn sy'n bosibl gyda'r arian cyfatebol a'r hyn sy'n bosibl o ran bwrw ymlaen â'r taliadau.

[34] **Y Prif Weinidog:** Yr ydym ar flaen y gad o ran lywodraethau y gwahanol ranbarthau a chenhedloedd sy'n noddi ceisiadau am arian o Ewrop. Er bod llai o ansicrwydd yng Nghymru nag sydd yng ngwledydd a rhanbarthau Ewrop, po fwyaf o sicrwydd yr ydych yn gallu ei gael a pho gyflymaf yr ydych yn gallu cwblhau'r trafodaethau, gorau i gyd, gan y bydd pawb wedyn yn deall ble y maent yn sefyll. Yr ydym oll yn derbyn yr egwyddor honno. O ran ei gwneud hi'n glir i bawb yng Nghymru, cyn gynted ag y bydd gennym ryw fath o fargen, byddwn eisiau ei dwyn gerbron y cyhoedd ac i'r sawl sydd â diddordeb uniongyrchol yn y cronfeydd strwythurol, sef y Cynulliad, y grwpiau gwahanol, a'r awdurdodau lleol. Ni allaf ddweud sut yn union y byddwn yn gwneud hynny, ond gall fod drwy'r pwyllgor hwn. A oes cyfarfod arall o'r pwyllgor hwn cyn diwedd y Cynulliad hwn? Nid wyf yn siŵr a oes.

[35] **Sandy Mewies:** No.

[36] **Y Prif Weinidog:** Iawn. Byddwn yn dod o hyd i ryw ffordd arall o wneud hynny os bydd diwedd glo i'r trafodaethau cyn diwedd y Cynulliad hwn.

uncertainty causes concern for many people, not only farmers but also action groups, and local authorities. So, I would appreciate a clear statement of what is possible in terms of match funding and also of what is possible in terms of progressing with these payments.

The First Minister: We are in the vanguard as regards the governments of the various regions and nations that are sponsoring bids for European funding. Although there is less uncertainty in Wales than there is in other European countries or regions, the greater certainty you can offer and the sooner you can complete those discussions, the better, so that everyone knows where they stand. We all understand that principle. In terms of making it clear to everyone in Wales, as soon as some sort of deal is struck, we will want to make that known to the public, and especially to those who have a direct interest in structural funding, namely the Assembly, the various groups, and local authorities. I cannot say how exactly that will be done, but it may be done through this committee. Will there be another meeting of this committee before the end of this Assembly? I am not certain whether there is.

The First Minister: Okay. We will find some other way of doing that if these discussions are concluded before the end of this Assembly.

[37] **Michael German:** I have two unconnected sets of questions: one is about the rural development plan and the other is about China. They are obviously quite disparate. I will start with the rural development plan. I understand what has been said, but at what point does a lack of agreement in Europe hurt the ability of the Welsh Assembly Government to make appropriate payments? I am particularly thinking of when the button will be pressed on next year's single farm payment, because that is the biggest chunk of money that comes from it. Secondly, is the sort of work that is currently done under article 33 in the current RDP ring-fenced money for the new RDP programme? Are there population thresholds that go with that? I think that there was a population threshold of 10,000 for the current article 33.

[38] My question on China is entirely different and relates to the report, which, I think, is annex D to the First Minister's report on activities in China. Paragraph 2, on Discover UK's Wales season, talks about the results of the activities so far. The numbers in the results and figures are relatively small compared with the population of China. However, I wonder whether the richest seam in all of this is the UK alumni who participated in the annual ball, or whatever. Do we have a means of tracking, either through universities in Wales or through other processes, our alumni from Welsh universities, as they are usually a rich seam for

further development and further influence if you can keep in touch with these people on a long-term basis. This refers to UK alumni, and I presume that it was 400 alumni plus 400 partners who went to the ball, though it could be 200 alumni and 200 partners; I do not know. Either way, given the small number of people whom we are talking about here, keeping track of the influences in business and in Government in China would be one way of doing it. Do we have a mechanism for doing that at the moment?

[39] **The First Minister:** I will answer the Chinese bit first. The current figure for Chinese students still studying in Wales is impressive. My understanding is that about a quarter of the overseas students in Welsh universities are from China. However, alumni are a long-standing stock issue rather than a current-flow issue. Whether we are yet in a position to have an enormous number of Chinese alumni to rely on, I do not know. I have seen these figures that we have here. You are right that alumni are incredibly loyal to the country in which, and university at which, they got their first degree—or, sometimes, their masters degrees or PhDs. Overseas alumni of British universities are fantastic free ambassadors for the university and the country where they studied. It has to be said that most overseas students have an extremely good experience in Wales, and therefore have every reason to be loyal and willing to come along, whether to a ball or some other kind of gathering, as is referred to here. The big pay-off will come from the current and future generations of Chinese students, because their numbers are so much bigger now. I think that the last figures that I saw noted that around 8,000 overseas students are in Wales at the moment, and 2,000 of them are from China. That is a massive figure.

[40] **Michael German:** Are we tracking that?

[41] **The First Minister:** Yes, definitely. That is part of how we want to try to hold on to them as future free ambassadors. Gary, do you want to add anything?

[42] **Mr Davies:** Each of the institutions obviously has its own alumni list, which it tracks. We have been talking to higher education institutions particularly about being able to use those lists, but there are all sorts of issues about data protection and so on. However, we can get around them. We have an agreement in principle with the institutions that we can develop a Wales list of alumni, not only in China, but elsewhere. For example, there are 5,000 Welsh alumni in Malaysia. So, as you were saying, they are a valuable potential source of promotion of Wales overseas.

[43] The alumni figures in this report are for UK alumni. Earlier in the First Minister's report, there is a reference to some activities in Chongqing next week. I will be going out there to be a part of those. On the way out, I will be calling at Beijing, where there is an alumni event on Saturday evening that I will be attending. We have collected the Welsh alumni from there, and we will be hosting a table for the Welsh alumni. It is a question of building up these relationships. They are incredibly loyal and everyone who has been studying in Wales goes back with a very good impression. They are good ambassadors for Wales. So, we are taking steps to tap into that.

10.00 a.m.

[44] The figures that are recorded in annex D, as compared with the total population of China, are obviously very small, but I have some figures that may be of interest to you from the Scotland and England promotion. The promotion of Scotland was from June to September, and of England, from October to the end of December. It is noted in the results and figures section that we attracted 35,000 plus visitors to the Wales feature on the British Council sites. That is for the first month of January. For Scotland, the total was 100,000 for the three months, and it was 110,000 for England. We had 100,000 visitors to the splash page, and the figure for Scotland and England was 1.5 million at the end of the three months.

During the first month, 10,000 members opened the monthly e-newsletter on Wales; that figure was 25,000 for Scotland for the three months and 27,000 for England. So, I do not think that we are doing too badly in comparison with England and Scotland during their periods of promotion.

[45] **Ms Thomas:** On the point at which the lack of agreement starts to hurt us, it is not so much the delay in agreeing the voluntary modulation regulation; we are extremely fortunate in that we do not have to have modulated receipts for the first year, so it is all planned in. The issue is with getting the measures that are proposed in the rural development plan to be acceptable to the commission. This comes back to the discussion at the Environment, Planning and Countryside Committee meeting tomorrow about the emphasis on agri-environment in terms of meeting the nitrates directive under the water framework directive. If we believe that we have a plan that could be approved, the EPC Minister's intention is that we will make the March payments on the single farm payment. We do not want to hold this up unless we genuinely believe that the risk assessment is too grave and that we would not get the plan approved, would not get our money back and would also run the risk of running a non-notified state aid.

[46] The article 33 successor is what we call axis 3 of the next rural development plan. There are no population thresholds; it will operate in much the same way with the same types of projects. It will operate within a local authority boundary, although we can have cross-local authority co-operation, but it goes down to the smallest hamlet even by basing it in the largest rural settlements, because we are looking at the spin-off benefit to rural areas of having something based in a market town, or something like that.

[47] **Rosemary Butler:** If I may, I will pursue the Chinese education point. I was going to ask how many students there were, but you say that about a quarter of the foreign students who come here to study are Chinese. The University of Wales, Newport is doing huge things on distance learning, and people can get qualifications in China without coming here. Are we doing anything with those? Although they have not been here, they may still have strong connections with Wales. It is interesting that there are 2,000 Chinese students in Wales, but how are they spread around? The Chinese community in Newport is quite big, but it is almost invisible, so it would be interesting to know where they are.

[48] On a different point, I was in London on Monday and I went to the National Gallery for lunch. Its dining room had a Welsh menu for this week, so we are even getting to London as well as to Beijing. I went past the tourism office, and there was no obvious sign there that it was St David's Day. When it was St Patrick's Day or St Andrew's Day, I seem to recall that it had big window displays. There may have been such a display, but it did not connect with me that our big place in London just off the Haymarket, which includes the English Tourist Board, the Wales Tourist Board and perhaps the British Tourist Authority, had anything associated with St David's Day.

[49] **The First Minister:** Are we talking about VisitBritain on the Haymarket, opposite the National Gallery?

[50] **Rosemary Butler:** Yes. The display may have been there, but it passed me by if it was.

[51] **The First Minister:** Was it on Monday?

[52] **Rosemary Butler:** Yes, this week.

[53] **The First Minister:** Okay, we had better check on that, because it may be that they are waiting until today or tomorrow, but I do not know.

[54] On the point about where the 2,000 Chinese university students are, we will circulate that information to the committee. I am sure that we will be able to get that from Virginia West, from the Wales International Consortium.

[55] On the question of overseas campuses in China, there is enormous promise here, but enormous care must also be exercised. When a degree or diploma is awarded by a Welsh university, or, for that matter, an English, Scottish, or Northern Irish university, to students studying at an overseas campus—whether it is run by the university itself or by a private investor—enormous care must be taken to ensure that they really can certify that the degree or diploma has involved examinations set in the proper manner and that there is no way that those institutions' degrees are going to be devalued by something that they cannot control because of the distance between, say, Bangor or Cardiff and the university or agency overseas.

[56] Some universities have done this quite successfully, but we are all aware of what happened some 15 years ago now when Swansea Institute, I think it was, caught a cold in Malaysia, going into partnership with a private company. If you had walked through the middle of Kuala Lumpur, you would have seen on bus shelters and flyposted on lampposts advertisements asking people whether they wanted a degree from the University of Wales. This was done by a private company that Swansea Institute, which had the ability to offer certain diplomas and degrees from the University of Wales, formed a partnership with. So, a serious lesson was learnt about how important it is to choose your partners very carefully, and secondly, how important it was to have control over the process, so that you did not devalue the degrees.

[57] For Welsh universities, it was a case of once bitten, twice shy. Some of them are coming back to this idea now. I think that the University of Wales, Bangor has a major proposal that is about to be implemented—not in China—to set up an overseas campus with a private investor. I think that it will be making an announcement about that very shortly—

[58] **Mr Clifford:** It was announced this week.

[59] **The First Minister:** It is already in the public domain, is it?

[60] **Mr Clifford:** Yes, Merfyn Jones announced it.

[61] **The First Minister:** There is also the question of distance learning, and whether it is necessary to set up an overseas campus, if this can be achieved through modern, computerised distance-learning methods, such as e-learning. We would encourage Welsh universities to think seriously about it, but it involves quite a big commercial risk in addition to the risk of devaluing degrees if they do not have the right partners. It is up to them to find the right partners; I do not think that we would want to get involved in finding a partner for them, because these are academic/commercial decisions for the universities.

[62] **Rosemary Butler:** May I suggest that when you give your lecture at Newport university next week or the week after, you pursue this issue, because I understand that what Newport is doing is of a very high quality. I believe that it has firewalled, so it would be interesting to see that.

[63] **Janet Davies:** On action outstanding on the constitutional treaty, I thank you for the report, First Minister. I see that you will be coming back later with another report. What direct input did we have into any consultation on the constitution? It is certainly coming to the Committee of the Regions; it was discussed yesterday. It will be discussing it again, although unfortunately that is on 3 May, so I do not think that we will have a massive input into that. It

will obviously come to other associations, but does it come directly to the Government or the Assembly? Is there any direct input in that way?

[64] **The First Minister:** We did have a direct input through Regleg. Because, technically, I was still the president of Regleg, I wrote a letter on behalf of the regions with legislative competence across Europe to Angela Merkel, the president of the Council of Ministers and, I suppose you might loosely say, the president of Europe for the moment, and to José Manuel Barroso, the President of the commission with the view of the regions on this. The matter of whether the treaty should be revived is, strictly speaking, not for us, because we do not have that kind of political clout. On the matter of the powers that would have come to the regions with legislative competence, and to some extent to local government under the subsidiarity provisions of the treaty, we do not think that those should be lost, even if the treaty is lost.

10.10 a.m.

[65] So, they should decide whether they want to revive the treaty or not—that is not for us—but either way, whatever they do, they should try to think of a mechanism by which the subsidiarity monitoring delegated powers to bodies like the Assembly and the Scottish Parliament can be preserved. That should be thought about, and somehow re-inserted, and preserved, because there were major gains, in terms of administrative efficiency, the further down the food chain that you can push these things. If it is us that has to do the work, then we should be consulted on the legislation in the first place and Europe will end up with better legislation. Likewise, on municipal waste, recycling, and so on, if it is clearly a local government responsibility, and Europe is thinking of making directives on it, it should consult local government, because local government will have to do the work, and will have much more practical views than a member state about how to implement the best possible method of improving municipal waste-recycling rates. Whoever is going to do the work should have the job of monitoring the legislation before it is passed, because that is how you improve it. So, we have made that point—I have made that point, talking on behalf of Wales and other regions. Whether that will have any influence, we do not know.

[66] **Jeff Cuthbert:** At the last meeting I raised the issue of the middle east peace process, and I have read the comments made in the First Minister's report. Clearly, everyone would want to encourage Israel and Palestine towards a situation where they co-exist peacefully, and that demands that they recognise each other's right to exist and take care of their own people. However, the report's final sentence mentions the reactions from France, Germany and the UK; they are interesting to read, but could we know a little more about why there were such different reactions from those three countries?

[67] **The First Minister:** I think that there is some longstanding hesitancy in Germany about matters relating to the middle east arising from world war two—Germany finds this a very difficult issue on which to express clear views without having a finger pointed at it. That is the only reason that I can think of as to why there would be a difference of view between France and Germany, but I do not know whether Des has any comments. You can see the problem—if Germany says anything that could be interpreted as an attack on Israel, you can see the political delicacy in terms of responses.

[68] **Mr Clifford:** The other aspect of this is that Germany is acting as the European Union president for this six-month period, which means that it has to try to act as the honest broker, as it were, for the interests of the 27 member states. The First Minister is correct, of course, that there are particular historical sensitivities between Germany and Israel. It is perhaps worth underlining that, although the European Union does not have the same clout with Israel that the United States has—the United States is essentially the only country in the world that has powerful political clout with Israel—Europe, conversely, has access on the ground in the Palestinian territories, which is not currently easily available to the United

States, because it is alienated from those communities. So, I think that there is seen to be a significant role for Europe in the leverage of soft power, particularly on the Palestinian side, to try to take measures to encourage them to veer away from the militant, terrorist approach and towards a more constitutional, negotiated settlement.

[69] **Janet Davies:** You have explained the difference between France and Germany, First Minister, but why is the UK being so coy about it?

[70] **The First Minister:** I do not know that the UK is being coy about it.

[71] **Janet Davies:** It seems to be, from the report.

[72] **The First Minister:** I cannot answer that.

[73] **Rhodri Glyn Thomas:** Yr wyf am ddod â'r Prif Weinidog yn ôl at ddathliadau Dydd Gŵyl Dewi. Da oedd clywed am y gwahanol ddigwyddiadau sy'n cael eu cynnal yn rhyngwladol, ond mae gorymdaith genedlaethol i'w chynnal yng Nghaerdydd yfory. A yw'r Prif Weinidog yn bwriadu anfon ei gyfarchion i'r orymdaith honno?

Rhodri Glyn Thomas: I want to bring the First Minister back to the St David's Day events. It was good to hear about the events that are happening internationally, but a national parade is to be held in Cardiff tomorrow. Is the First Minister planning on sending his greetings to that parade?

[74] **Y Prif Weinidog:** Nid wyf yn siŵr beth yw'r trefniadau ynglŷn ag yfory. Ni fyddaf yn bresennol, ond edrychaf i weld beth yw'r trefniadau ynglŷn â'r orymdaith. Nid oes gennyf ateb ar hyn o bryd—ni chofiaf, a dweud y gwir, a fu trafodaeth ynglŷn ag anfon cyfarchion.

The First Minister: I am not sure what the arrangements are for tomorrow. I will not be present, but I will look to see what the arrangements are for the parade. I do not have an answer as yet—I do not remember, to be honest, whether there has been a discussion about sending greetings.

[75] **Jeff Cuthbert:** In anticipation of St David's Day tomorrow, the Aber Valley Male Voice Choir, from my constituency, is singing here at lunchtime, from 12.15 p.m. onwards; everyone is welcome.

[76] **Sandy Mewies:** We can all join in.

[77] **Jeff Cuthbert:** If I joined in, everyone would go.

[78] **Sandy Mewies:** I have a brief question, First Minister. Do you have an update on the use of Welsh in EU institutions? There may not be one, but we sort of had it on the agenda.

[79] **The First Minister:** I believe that Des could probably update you technically. We have made the approach to the Foreign Office—I have written to Margaret Beckett, as the Foreign Secretary, saying, 'This is what we would like to do. We realise that all expenses would have to be met by us, because that was part of the understanding. However, nevertheless, we believe that it is worth exploring now, so can you open negotiations with the European institutions?'. However, I do not believe that we have had a response yet, have we?

[80] **Mr Clifford:** No. The First Minister has written, as described, and with that letter we have put forward a notional plan of how we believe the arrangements for translation and interpretation that could be possible to us would work in practice. We have attached some ballpark costings to that. The UK Government has indicated previously that, in principle, it has no objections to pursuing this, so we are reasonably confident at this stage that it will agree to work with us to open the formal negotiations. The reason why it matters in this

context is because negotiations have to be carried out at member state level, and must be a series of agreements, which are not legally binding—they are on the basis of best endeavour. However, there would have to be a series of agreements between the UK Government, as the member state, and the various European institutions with which we want to promote the use of Welsh—the Committee of the Regions, the commission, the council, the ombudsman, and so on.

[81] At a technical level, we have had meetings in Brussels consistently for some months now; our interpretation colleagues also came out from the Assembly a few months ago to join in those meetings. Subject to successful negotiations, as I have just described, the written aspect of this, and correspondence—in other words, when people write a letter in Welsh and would hope to get a response in Welsh—should be relatively straightforward; that should not be too difficult. Interpretation may well be a medium-term ambition, because the European authority responsible for interpretation has a monopoly on deciding the terms of the proficiency tests that people have to pass to be recruited on a freelance basis to do the work. That will be a long, involved and tricky business, but we are on the case, and we are determined to make it possible. We hope to report back as we make progress in the months, or maybe years, ahead.

[82] **The First Minister:** I will reiterate the problem that I mentioned at the last committee meeting, namely that Ireland has experienced considerable difficulties in getting any interpreters through the competence test. It does not have a problem over the law, because Irish is the official language of the Republic of Ireland, but you still need interpreters who meet the competence test, which is an extremely high hurdle—even to the extent of the correctness of accent.

[83] That reminds me of the Copenhagen summit of 1978—I believe—where there was a furious row in the interpretation service. The lead interpreter on that occasion was someone called Jørgen Hansen, who eventually became my successor as head of the European Commission office in Cardiff, whose English, as he had been educated at Atlantic College and at Aberystwyth, had a Welsh flavour to it. At the end of the proceedings, Jim Callaghan complimented Jørgen Hansen on how good it was to hear English spoken with a Welsh accent, with which he was familiar.

10.20 a.m.

[84] This produced a blazing row in the interpretation service, because the head of the interpretation service, who was a German woman, was always trying to tell Jørgen Hansen that he could not speak English properly, because he refused to use the standard German method of teaching English. The word 'back' is pronounced 'bäck' in German because they put an umlaut on it and say, 'That is correct English'. Having lived in Wales for five years, he knew that the correct interpretation of the letter 'a' is 'ā', not 'ě', as employed by people who use received pronunciation, like the old-fashioned pre-war BBC newsreaders. There was a blazing row over whether you should say 'bäck' or 'běck'. It can sometimes be as petty as that. Nevertheless, we hope that we will find someone who can pass the real hurdles, and even some of the artificial hurdles that are set by the interpretation service as to how you should pronounce English, as well as other languages.

[85] **Sandy Mewies:** Des, if it is possible, given the timescales that we are facing at the moment, for you to update Members at any stage, I am sure that we would all appreciate that.

[86] **Rosemary Butler:** I will mention the Committee of the Regions report later, but I will also mention the committee now. Seamus Murray, the Irish delegate, spoke in Irish at the last Committee of the Regions meeting—he spoke for quite some time and then changed to English. It was interesting that, when the president responded, he said, 'I really thought that I

could understand what you were saying'. Everyone was sitting there as if they knew what the poor guy was saying and it was really quite amusing. The new Romanian commissioner has responsibility for multilingualism and, therefore, it is now a big focus. What is interesting is not just the Welsh issue, but the fact that Malta, which has only five delegates to the Committee of the Regions and a tiny population, now has its own translation booth. You can speak in Maltese, if you choose to do so, as one of the official languages. That does cause a little consternation when there are larger areas whose languages are not recognised. The fact that this guy spoke in Irish and people were quite convinced that they could understand what he was saying was amusing.

[87] **Mr Klom:** I will just add a general point to the discussion: for people from Britain and several other member states, it is quite a challenge to pass all the EU tests, especially those regarding EU competencies. The hurdle is not just the element of accent or language, but basic knowledge of the EU. In that respect, our office in Wales is providing lectures and training to various Welsh universities, and information to get people up to scratch on their EU knowledge. That is available to any interpretation or translation staff who would potentially be interested in going to Brussels.

[88] **Mr Clifford:** I will add to that, if I may. It is relevant. We have discovered in the course of our discussions with the interpretation people in Brussels that there is a tremendous shortage of native-English-speaking interpreters in the European interpretation service, for the reason that Andy indicated, namely that we do not have a good tradition of multilingualism in the UK. There are some tremendous opportunities. We may be able to make a long-term contribution to encourage people from Wales more generally, not just Welsh speakers, to take up careers as interpreters in Europe because there is a tremendous desire on Europe's part to have native-English speakers because English is the most commonly understood and most commonly used language. There is a tremendous shortage of native-English-speaking interpreters, or bilingual, native-English-speaking equivalent, interpreters, working in the service. The ideal, as I understand it, is that you should interpret into your mother tongue, or one of your mother tongues if you are bilingual, rather than into a second or third language. People who can do that are at a real premium in European institutions.

[89] **Sandy Mewies:** In my experience of Brussels, especially after the late evening sessions, everybody can speak the same language, depending on where they are—it is usually rubbish.

10.24 a.m.

Adroddiad ar yr Adolygiad Polisi Policy Review Report

[90] **Sandy Mewies:** We move on to the recommendations for the policy review report. It is a weighty document, and we did quite a lot of work on it, but we have now had it for some considerable time. I do not think that we have received any amendments. Members, are you content with the recommendations in the report? The clerk will arrange the translation and printing and will lay the report before the Assembly. If you want to propose any amendments, we will take amendments by e-mail sent to the clerk afterwards, but we cannot wait forever for them. The report will be submitted to the Minister for Education, Lifelong Learning and Skills as a formal response to the consultation on the school curriculum. It will also be submitted to the First Minister and copied to the Chair of the Education Lifelong Learning and Skills Committee, the Chair of the Local Government and Public Services Committee and the Chairs of the other UK European scrutiny committees.

[91] **Michael German:** I have a question about the timetable. Normal committee reports

have a debate on the floor of the Assembly and a response from the Government. I do not know my Standing Orders well enough, but is that the case with this report? Notwithstanding that we have a very short timetable, is that the case with a report from this committee?

[92] **Mr Reading:** ‘No’ is the short answer. We have not arranged a slot for a debate, simply because of the timescale. This committee has not produced reports in the same way that a subject committee would do, nor does it follow the protocol that you have outlined of a debate, an initial response and then a more formal written response from the Government, and then further consideration in the committee. This committee does not generally operate like that.

[93] **Michael German:** I note the use of the word ‘generally’, which indicates either that the Standing Orders are silent on this matter or that there has been an interpretation of them somewhere along the line. I am not suggesting that we can do this now, given the present timetable, but it sets a precedent. If, in future, a committee of this sort were to present a report, would it be the normal procedure—if the timescale allowed—that it would follow the route that subject committee reports would take? There are other standing committees that have done reports—the Committee on Equality of Opportunity has done reports in the past, I think.

[94] **Mr Reading:** Briefly, the only precedent for this committee is, if you remember, that there was a mini review of the services directive. That was not debated on the floor; it was sent to the relevant Ministers and other interested parties, as the Chair has described. In the future, with the successor committee, this aspect would have to be examined as part of the new Standing Orders. The current Standing Orders that apply to this committee say that it can report from time to time to the Assembly, but that is usually intended to be the annual report of this committee.

[95] **Michael German:** It is just that this report contains substantial recommendations. Given that, this afternoon or next week, we are debating the Local Government and Public Services Committee report in Plenary, which very much touches on these recommendations, would it be possible to make this report available to Members, even if it is in this format, with a note that says: ‘There are significant connections between the report that you are about to debate and this one’? As there will not be an opportunity before the end of the second Assembly to debate this report separately, that would allow all Members the opportunity to refer to this report, or the general issues raised by this report.

[96] **Sandy Mewies:** That is a good idea and I do not think that there is a problem with it at all. If Members are going to speak on this now, I remind them that this report has page numbers, so it would be useful if Members were to refer to the page numbers.

[97] **Janet Davies:** On the first page, Chair—mine has been printed off the web instead of from e-mail—you, the First Minister, Ieuan and Rhodri have been left off the membership. You should be put in. It is printed off the web, owing to a bit of a problem with my e-mail this morning.

[98] **Mr Reading:** I think that you will find that they are included in the actual report.

[99] **Sandy Mewies:** We will ask the clerk to look at the web version as well. Thank you for that.

[100] **Rosemary Butler:** I thank the secretariat, because this has been like a big ball of cotton wool—you do not know where to start holding it. We have produced an excellent report. Hopefully, it will be included in the legacy report, and therefore we can ensure that a future committee takes it up. Mike’s point is very important—if we can piggyback this onto

another report, it will be excellent. The report is very good.

[101] **Sandy Mewies:** I take it that no amendments are being put forward by Members, so we will move on. I thank everyone involved—Andy and all the other people who gave us so much useful information. Yours is an excellent suggestion, Mike. I cannot see any problem with it at all, so that is what we will do. Perhaps we will just do a covering note.

10.30 a.m.

**Adroddiad Blynyddol, Papur i'w Drosglwyddo i'r Trydydd Cynulliad a Rhaglen
Waith y Comisiwn Ewropeaidd 2007
Annual Report, Legacy Paper for Third Assembly and European Commission
Work Programme 2007**

[102] **Sandy Mewies:** We will look at the annual report first. I ask Members to confirm whether they are content and to suggest amendments. We can then move on to the factual part of the legacy paper. Des will speak first on the Welsh Assembly Government priorities and the EC work programme.

[103] **Mr Clifford:** I will say just a few words to kick off. The commission has produced its annual work programme. It runs to 38 pages. The first thing to say is that the commission document is much better than it was five or six years ago. Those of you who have been on this committee for a long time will remember that there was an annual and substantial body of work to try to find out exactly what the commission meant by its work programme. There was a long series of titles that were fairly opaque and unclear. The way that the commission now sets out its work programme is very clear indeed. Since you are meeting Commissioner Wallström later in this meeting, I think that it is fair to place that on the record. So, the document is now very accessible and I think that anyone who has a detailed interest in the commission programme would be well advised to go straight to the source document, which is now very clear and explains reasonably fully what each proposal means in clear English.

[104] What we have done for Government purposes is not rocket science; we have gone through the commission work programme drawing out those measures which are obviously of direct interest to us in Wales, either because they touch on devolved responsibilities or because they have a broader interest for us. We have summarised those into a shorter document. Therefore, we have, effectively, done a précis of the commission document for our purposes. We have made this widely available across the Assembly to colleagues in the various policy divisions and we will be working with them during the year ahead to follow, track, and to try to influence those measures that are of most interest to us.

[105] It is probably fair to say that this is not a particularly big year in terms of the proposals being put forward by the commission, if you compare it to recent years, when, for example, we had the registration, evaluation and authorisation of chemicals objectives and the services directive, which occupied a good deal of the time and attention of this committee. There are not very big far-reaching proposals of that sort in this year's programme. That is not to say that there is not some important material in here, as there clearly is. I expect two big themes to dominate our engagement with Europe during this year based on the commission's work programme and our own objectives. The First Minister has already alluded to one of them.

[106] The first is climate change, which has clearly risen to the top of the European agenda. It is at the top of the UK agenda and the Welsh agenda. It is moving to the top of everyone's agenda, quite properly, and there is a lot of evidence in the commission's work programme that climate change is now being taken very seriously. I think that the European council

conclusions, which will be published a week from now, will reflect that and will have a lot to say about climate change. I think that the German presidency is trying to encourage member states to agree to ambitious proposals to reduce carbon dioxide emissions by between 20 per cent and 30 per cent of 1990 levels by 2020. I think that those are the right figures off the top of my head. That is an advance from the Kyoto position and Europe is hoping to use this as a platform to influence the G8, which will meet in June. That, of course, involves the non-EU major industrial powers as well. So, there is lots of evidence in here that climate change is being taken seriously and driven forward at the European level.

[107] The second complementary issue to that is energy policy, which has also risen up the agenda. There is increasing concern about long-term energy supplies because of geo-political issues in relation to the supply of oil and the attitude of Russia in terms of gas supply and its apparent willingness to interrupt gas supply in pursuit of its political objectives in the Ukraine and Georgia, and the potential implications of that for European markets. So, those issues have raised concerns that are being taken seriously.

[108] Complementary to the climate change agenda, there is an increasing willingness to explore and to develop new and cleaner technologies for producing energy, so that will be of great interest to us.

[109] Something that I might draw your attention to that is slightly related to the St David's Day agenda that we talked about earlier is that paragraph 5 in our paper draws attention to communication on culture. As part of our St David's Day celebrations in Brussels yesterday, we jointly organised a conference with the Welsh universities on stimulating cultural industries as an economic driver in Brussels. We invited the commission to participate in order to contribute and listen to that debate. About 60 or 70 people participated in the conference, drawn from all over Europe, and there were actors from Wales. Arising from that conference, we will produce a paper jointly with our colleagues from the universities summarising the contributions that people made, and we will send the paper directly to the commission as part of an attempt to influence its forthcoming communication on culture. I wanted to draw your attention to something contemporary that we are doing in relation to this work programme.

[110] I want to add the caveat that we should always add, namely that the commission's work programme is only a part of the jigsaw—it is an important part but it is not the whole story. There are many important priority issues for the Assembly Government and the Assembly in general that fall outside the immediate annual commission work programme, such as the structural funds, the constitutional treaty, the Galileo supervisory agency, the working time directive and probably a good half a dozen important issues that would fall, technically speaking, outside this work programme.

[111] **The First Minister:** I think that Des is probably right about policy matters, but there is a ceremonial matter this year, namely the fiftieth anniversary of the signing of the Treaty of Rome, which will no doubt be in everyone's mind. It relates to future relevance, namely the treaty and whether there should be another treaty, and, if so, how you would get round the referendum problem in France, Holland and so on.

[112] **Ms Daniel:** Mae gwasanaeth ymchwil a phwyllgorau'r Cynulliad wedi paratoi ail bapur ar raglen waith y comisiwn. Os hoffech ei weld, mae Des wedi cyflwyno rhestr hir o eitemau o'r rhaglen waith, felly dyma'r rhestr fer ar gyfer sylw'r pwyllgor hwn. Mae'n canolbwyntio ar eitemau mwy strategol a phellgyrhaeddol eu natur sydd yn

Ms Daniel: The Assembly's research and committee service has prepared a second paper on the commission's work programme. If you wish to see it, Des has presented a long list of work programme items, so this is the short list for this committee's attention. It focuses on more strategic and far-reaching issues that are the commission's highest

flaenoriaeth uchaf i'r comisiwn yn 2007-08, ac sy'n berthnasol i waith y pwyllgor hwn. Mae bob pwyllgor arall wedi derbyn rhaglen waith y comisiwn yn barod, ac fel y gwelwch yn atodiad A, mae rhestr o'r holl eitemau y maent wedi edrych arnynt ac am gynnwys yn y papur i'w drosglwyddo i'r pwyllgorau yn y trydydd Cynulliad. Bydd yr eitemau hyn hefyd yn cael eu cynnwys yn adroddiad y pwyllgor hwn i'w drosglwyddo i'r trydydd Cynulliad ar gyfer ystyriaeth y pwyllgor Ewropeaidd newydd.

priority in 2007-08, and which are relevant to this committee's work. Every other committee has already received the commission's work programme, and as you will see in annex A, there is a list of all the items that they have looked at and wish to be included in the legacy paper for the committees in the third Assembly. These items will also be included in this committee's report to the third Assembly for the consideration of the new European committee.

[113] Yr unig beth yr hoffwn ei danlinellu yn ychwanegol i'r hyn a ddywedodd Des, ar wahân i'r drafodaeth ar ddyfodol Ewrop, yw'r adolygiad o'r gyllideb Ewropeaidd fydd yn digwydd yn 2008-09. Bydd nifer o eitemau y flwyddyn hon yn cyfrannu at ddatblygu syniadau'r comisiwn ar ei flaenoriaethau yn y dyfodol. Mae'n debyg y bydd y comisiwn yn dechrau ymgynghori eleni i ddechrau'r drafodaeth wleidyddol ar beth y dylai'r blaenoriaethau hyn fod. Y syniad yw i gyhoeddi rhai o'r syniadau hynny cyn etholiadau'r Senedd Ewropeaidd yn 2009 ac felly dylai fod digon o amser i allu cytuno'r gyllideb newydd Ewropeaidd ar gyfer 2014 i 2021, o bosibl. Felly, mae'n cychwyn y trafodaethau'n fuan iawn. Mae'n broses eithaf hir ac, yn amlwg, mae am gychwyn arni eleni.

The only thing that I wish to emphasise in addition to what Des said, apart from the discussion on the future of Europe, is the review of the European budget which will happen in 2008-09. Many of this year's items will contribute towards the development of the commission's ideas on its future priorities. The commission will probably begin consulting this year to begin the political discussion on what these priorities should be. The idea is to publish some of those ideas before the European Parliament elections in 2009, so that there should be plenty of time to be able to agree the new European budget for 2014 to 2021. Therefore, it is starting those discussions at a very early stage. It is quite a lengthy process and, obviously, it wants to start it this year.

10.40 a.m.

[114] **Sandy Mewies:** I would like to go back to the annual report and ask Members whether they are content with it or whether they have any amendments. I see that there are none.

[115] We will now move on to the legacy paper—

[116] **Michael German:** I was going to ask about the annual work programme that Des has described. Can I ask a question on that?

[117] **Sandy Mewies:** Yes.

[118] **Michael German:** I am talking about paragraph 9 of paper 5, which is a paper from the First Minister. The First Minister said this morning that this commission has indicated that it would not look at the future budget post 2013, but this paragraph refers to looking at the simplification and implementation of common agricultural policy reform prior to 2013. Could I have some clarification as to whether the commission will start work in this area post 2013 or does this relate to the post 2010 review, which I understand will happen mid term, of agricultural policy?

[119] **The First Minister:** People have different views on this. My earlier point was that if

there is going to be a theme for the Barroso commission—this is Barroso commission 1, but it will be Barroso commission 2 if he gets reappointed—then it appears that it has decided that that will be climate change. So, I do not know whether this commission will put a lot of donkey work into commencing financial, structural and CAP reforms. Everyone is drawing the conclusion that it will leave those to the next commission. It may say that it is looking at it, officially, but it will not be pushed. Perhaps Andy has a different view on that and, officially, he may say that those reforms are more important than climate change—I do not know. However, that is the view that I draw from my discussions in Brussels. Des or Andy, do you want to add anything to that?

[120] **Mr Klom:** For the Barroso commission, the Lisbon agenda has been the main objective for its mandate and strategy from the very beginning in 2004. Considering all the other big issues on the table, as mentioned, such as the CAP, the budget and the constitutional treaty, its main ambition was to pursue the Lisbon agenda. However, it launched a major package of environmental and energy proposals at the beginning of this year in January, which is also on its table. On the other hand, all those other big issues are very much to be decided by the member states. So, I think that it will be pursuing a less ambitious objective in trying to push through what it set out to do from the very beginning instead of taking on extra burdens.

[121] **Mr Clifford:** To clarify for Mike, there are two points: one is the ongoing agenda for simplification and better regulation, which is going on now and is, I think, referred to in the context of the annual work programme, and there is then the much wider discussion on the long-term future of the financing of Europe, which is what Anna and the First Minister referred to and which is a longer-term strategic agenda.

[122] **Sandy Mewies:** Okay. We are accepting the annual report and its recommendations. I think that that shows that we have to thank everyone who has helped us because the breadth of the work was quite considerable. Looking back, you realise how much work we have covered.

[123] **Rhodri Glyn Thomas:** Dim ond un pwynt bach sydd gennyf. Gobeithio nad wyf wedi methu â gweld hwn wrth fynd drwy'r papur, ond nid oes cyfeiriad at y gwaith yr ydym wedi ei wneud ar sut y gallwn ddefnyddio'r iaith Gymraeg o fewn y comisiwn a'r Senedd yn Ewrop. Mae cyfeiriad at bolisi cyfathrebu'r Deyrnas Unedig—nid wyf yn siŵr a yw'r Gymraeg yn gynwysedig yn hynny. Fodd bynnag, byddai'n braf cael cyfeiriad penodol at hynny oherwydd y gwnaethpwyd tipyn o waith ac, fel yr eglurodd Des ynghynt, er bod problemau gyda chyfieithu ar y pryd, mae symudiadau o ran y gallu i bobl lythyru, er enghraifft, yn y Gymraeg. Byddai'n braf nodi ein bod wedi gwneud y gwaith hwnnw, os yw hynny'n bosibl.

Rhodri Glyn Thomas: I only have one small point. I hope that I have not failed to see this in going through the paper, but there is no reference to the work that we have done on how we can use the Welsh language in the commission and the Parliament in Europe. There is reference to the communication policy of the United Kingdom—I am not sure whether the Welsh language is included in that. However, it would be nice to have some specific reference to that because quite a lot of work has been done and, as Des explained earlier, although there are problems with simultaneous interpretation, there have been movements in terms of people's ability to communicate by letter, for example, in the Welsh language. It would be nice if it was noted that we have done that work, if possible.

[124] **Sandy Mewies:** There is no problem with that. I am sure that we can include that, if we accept that amendment.

10.45 a.m.

**Adroddiad Blynyddol, Papur i'w Drosglwyddo i'r Trydydd Cynulliad a Rhaglen
Waith y Comisiwn Ewropeaidd 2007
Annual Report, Legacy Paper for Third Assembly and European Commission
Work Programme 2007**

[125] **Sandy Mewies:** This legacy paper will only serve as guidance to the successor committee, and in no way is it binding. We have Des and Anna's reports—is there anything that people think should be added to the legacy paper, which is not there now, or which was not mentioned by Des or Anna?

[126] **Rosemary Butler:** The emphasis on cross-cutting is the important bit. There should be this emphasis on cross-cutting across every committee.

[127] **Sandy Mewies:** I am just delighted that it has been accepted, and that the value of this committee going on into the future has been accepted. So, I think that the clerk will arrange for the annual report on the legacy—

[128] **The First Minister:** Would this be a good moment for us to thank you for your contribution—as we are talking about legacies—and, therefore, for your legacy, having chaired this committee very skilfully? The nature of the committee will change, certainly in terms of the relationship with us as Government Ministers or as First Minister. Whatever the successor committee is, it will not have Ministers as committee members, although it will obviously have Ministers attending for scrutiny purposes. Certainly, from the First Minister's side of the committee, and as a full member of the committee, I just wanted to thank you for your contribution as an extremely skilful and committed Chair of this committee.

[129] **Sandy Mewies:** Thank you. It has been an absolute pleasure. I think that the people who are not on the Committee on European and External Affairs do not know what they are missing. It is a very nice and co-operative committee, so, thank you for that.

10.47 a.m.

**Y Wybodaeth Ddiweddaraf gan Aelodau Pwyllgor y Rhanbarthau
Update from Members of the Committee of the Regions**

[130] **Sandy Mewies:** Rosemary and Janet will speak on this item, and I think that Andy will say something about the fiftieth anniversary.

[131] **Rosemary Butler:** I will just say something on the overview of plenary in the Committee of the Regions, and Janet has been attending some of the commissions, so I think that she will speak on that. The point about the work programme is that the Committee of the Regions also links in with the EU work programme, which has been important and quite a big change in the last couple of years. However, 2007 is the year of equality of opportunity, and I would like to know how the Assembly will promote that. I know that 2006 was the year of education through sport, and I think that we missed an opportunity in that, instead of that being dealt with through the Minister for Culture, Welsh Language and Sport, it was dealt with via the education portfolio. Therefore, it was lost in the bigger portfolio. There is no additional money for the equality of opportunity year, but there will be good publicity, big initiatives and the focus will be on equality. So, I just wonder whether we could ask the Minister later on how the Government intends to deal with it, because the new commission for equality and human rights will not be up and running UK-wide until next October. I am delighted that Neil Wooding is the Welsh commissioner and perhaps someone could talk to Neil about how this will be promoted.

[132] Highlighted in the First Minister's report is how the Committee of the Regions is much bigger than previously, which has made a big difference to how things operate, because the focus is now very much on eastern Europe rather than on western Europe. This comes out in small ways, but you just have to keep an eye on it. At the last plenary meeting, there was a discussion on a European vision for oceans and seas, which is interesting because there is no mention of the English channel in it. We had to get an amendment so that the English channel was included. There was another motion where the proposal was that the Galileo project should be confined or referred to the newer member states. Of course, that was just going to slip by, and I suddenly noticed it, so we had to rush around to get some votes in to ensure that that was not the case, and we defeated it. So, now that we have these new member states that are trying to make a big impression and are working together, we have to keep an eye on things.

[133] It is interesting that, previously, opinions would attract perhaps three or four amendments; 10 would be the exception. At the last plenary, there were 41 amendments on the visions of oceans and seas opinion, 20 amendments on European technology, 23 on soil protection, and the list just goes on and on. You have to be there to ensure that things do not slip through without your realising the effect that they could have in Wales.

10.50 a.m.

[134] The big initiative is on the rights of the child; it is part of the EU strategy, and the European Commission is taking it forward. There was a big debate on this at the Committee of the Regions. Mrs Corrigan from Rathdown county in Ireland presented an excellent opinion. However, I thought that there was not much on looked-after children, so I made a contribution on that. When I was about three quarters of the way through it, I suddenly realised that probably only people in Britain knew what a looked-after child was, and I then had to explain that it meant a child who was looked after by a local authority. That was taken on board, but, afterwards, it was quite interesting that the French people came to me and said, 'All of our children are looked after, so we do not understand what you mean'. [*Laughter.*]

[135] **The First Minister:** We need the interpretation service again.

[136] **Rosemary Butler:** Absolutely. This is the point that Des was making earlier; we need to understand the terminology, not just the language.

[137] There was a very interesting opinion on transport, dealing with European policy for 2010. Jacques Barrot, who is the European Commission vice-president for transport spoke about transport generally. Whereas mobility used to be the big issue, it is now connectivity. You have to ensure not only that you are mobile, but that you are able to connect with other services. Again, there were 41 amendments on that transport document. So, things are really different now, but the Committee of the Regions is having far more attention paid to it. We get the big speakers every time.

[138] The next meeting is going to be in Rome, because it will be the fiftieth anniversary of the signing of the Treaty of Rome. Angela Merkel is coming, and the Pope has been invited, although I do not know whether he is actually going to come. [*Laughter.*] Perhaps we are having delusions of grandeur in the Committee of the Regions. However, it is interesting that we now have these new countries, which are paying a great deal of attention and ensuring that their opinions are put forward. That means that we have to make sure that we are there to vote. It gets quite difficult when there are 41 amendments, but it is really interesting work. Janet went on my behalf to one of the commission meetings this week, as I could not go, so perhaps she would like to say something about that.

[139] **Janet Davies:** I think that I have been to two commission meetings since our last meeting. Rosemary is quite right about the amendments. There are amendments to commissions, before amendments to plenary, and I have noticed that many opinions have between 25 and 35 amendments. Given that you do not receive the information until you get there, it is sometimes quite difficult to work out what the effect of the amendments would be and to ensure that you are voting as you want to.

[140] There is a seminar for maritime regions in October or November, from the constitution commission. That will be in the Canary Islands, so someone will have a pleasant seminar.

[141] At the commission for economic and social cohesion, which I attended earlier this month, one of the big issues raised was demographic solidarity. It was really about the changing age profile of populations. There were very long presentations, and only a very brief time—a few minutes—allowed for contributions from members. Therefore, I wrote to the rapporteur afterwards to put forward my views on the situation in Wales. I stated it as briefly as I could. I do not know whether Members wish to see that, but, if so, I will send it to you.

[142] **Sandy Mewies:** That would be helpful. If you send it to the clerk, he will circulate it to Members.

[143] **Janet Davies:** I made the point that it was coming from me as an individual Member. Yesterday, in the constitution commission, two big issues were discussed. One was the future of the European constitution, and the other was better regulation. Both were at an initial stage, so, before those go to plenary, they will go to the next constitution meeting, which, as I said, unfortunately, is on 3 May. It is unfortunate, but I do not see what we can do about it.

[144] Do you want me to talk a bit about people's views on the constitution, or shall I leave it at that?

[145] **Sandy Mewies:** We are getting quite tight for time now, that is the problem, and Andy is going to speak. Thank you both for the work that you have done, not just for this committee, but also in the past, keeping us in touch with a lot of things that we really need to keep in touch on. Are there any questions from Members before I move on?

[146] **The First Minister:** I was just going to thank Rosemary for her vigilance as regards Project Galileo. There is obviously an issue with new member states trying to insist that all new EU institutions should be set up in their countries. We are trying to persuade them that there are several other things that they can go for, but that Project Galileo should go ahead—Europe can think of Wales as a new member state, if it likes, so put us in that category of needing to have a European institution, albeit a very small one, which the Galileo supervisory authority would certainly be. There are plenty of things for new member states to go for, but Rosemary is right that they are quite aggressively using the Committee of the Regions to get whatever advantage they can out of the fact that there are 115 million new people from the accession countries, including the two newest ones, and they want to ensure that their voice is heard, and that they are not stitched up by the older member states.

[147] Of course, the other thing that is reflected in the Committee of the Regions is the fact that the accession of new member states, from Estonia all the way down to Bulgaria, is making a reality of Europe. Think of the number of times you now see lorries and cars with foreign number plates in Wales. It is only since the accession in 2004 of Poland, Hungary, Slovakia, Lithuania, Latvia, and so on that we have suddenly noticed them on the roads of Cardiff, or down in west Wales, and so on. Previously, we got the occasional tourist and the occasional lorry going to Ireland, but now you see foreign plates all the time; it has just become normal now to see Polish, Latvian and Lithuanian—as well as French, German and

Italian—cars on the roads here, owing to the presence of people who have come here from the accession countries, because this is where the jobs are. It is making a reality of Europe for the everyday citizen in Wales, in a way that did not happen during the 30 years of our membership from 1973 to 2003. So, that is reflected in what you are getting in the Committee of the Regions: a real jumble of different views from different corners of Europe.

[148] **Rosemary Butler:** May I just thank the staff of the Assembly's Brussels office, because the information that we are given and the briefings that we get are excellent? The UK delegation is probably the best-briefed delegation, but we, in Wales, have an extra advantage. We work very closely with our local government colleagues now. If anyone has a problem attending, they will usually get a replacement from their political group to go, but, in Wales, we get another Welsh delegate to go, rather than someone from elsewhere in the UK who belongs to the same political group. So, Wales is represented whenever possible. Thank you very much. It was very useful.

[149] **Sandy Mewies:** I am sure that that will be recorded.

[150] **Mr Klom:** Just very quickly, I wanted to draw your attention to the fact that we have launched an EU events planner on the website of the European Commission's office in Wales. It is a three-month overview of all kinds of EU-related events taking place in Wales, not just from the European Commission; it also includes contributions from the European Parliament, the Assembly Government, the European Movement, and the Europe Direct centres in Wales, and we welcome any other kind of contribution as well, of course. We will be updating it monthly to give the general public a clear overview of what is happening regarding EU affairs in Wales.

[151] A lot of the items included at the moment relate to the fiftieth anniversary of the EU at the end of March. The Europe Direct centres will be giving some attention to that between March and May, with Europe Day falling in early May. Another item that is included is a school competition that was recently launched by the British Council in Wales, the Assembly Government, and the European Commission's office in Wales, asking primary school children to design a card for Europe's birthday. Another item is a visit to Brussels that the European Commission office is organising for 34 Welsh journalists and journalism graduate students. It is happening around about the time of the fiftieth anniversary, and one of the things that we will do with them is provide a pre-briefing seminar before they go, so that they better understand what they will face over there. A similar service will be offered to potential candidates for posts as translators and interpreters as well.

11.00 a.m.

[152] Another element that is included is a charity match, which is being organised by the European Commission's office in the UK, between Manchester United FC and a team of EU players organised by UEFA. That takes place on 13 March. It is a charity match, because it will be dedicated to the fiftieth anniversary of the EU, and the fiftieth anniversary of when the first UK team—Manchester United FC—started playing in a European competition. There will possibly be representation by the European Commission at the highest level in that match, but that has yet to be confirmed.

[153] A variety of items is also mentioned there by other organisations, such as the Assembly Government, and, particularly, there are the Europe Direct centres. We have five centres now—and I assisted in the opening of the fifth centre yesterday in Wrexham. The good news is that a sixth centre may even be coming to Wales in the near future. We had some money left over, and there was a short call for proposals. We are trying to stimulate interest here in Wales. One proposal came from north-west Wales, which is a bilingual area; we hope that we can confirm in the next few months that it will have been chosen to become

the sixth centre in Wales.

[154] That is the short overview that I wanted to give of EU events in Wales, particularly relating to the fiftieth anniversary.

[155] Finally, I wish to express my appreciation and gratitude to this committee and its members for allowing the European Commission to contribute and assist in your discussions and proceedings over the past few years. We will, of course, be at Members' and the committee's service in future as well.

[156] **Sandy Mewies:** Thank you. I am frightened of sounding like someone at the Oscars ceremony now—'Thank you to all my family'. However, thank you, Andy. You and your predecessor have been very helpful. The input that we have had from the commission has made a big difference to our work programme, and has been very valuable.

[157] We will break now until 11.30 a.m.. I remind Members that there will be a photograph with the American ambassador immediately after the break, so if you could be back promptly, that would be useful.

*Gohiriwyd y cyfarfod rhwng 11.02 a.m. ac 11.34 a.m.
The meeting adjourned between 11.02 a.m. and 11.34 a.m.*

**Ei Ardderchowgrwydd Robert Holmes Tuttle, Llysgennad
yr Unol Daleithiau yn y Deyrnas Unedig
His Excellency Robert Holmes Tuttle, United States
Ambassador to the United Kingdom**

[158] **Sandy Mewies:** Thank you for returning so promptly. I welcome His Excellency Robert Holmes Tuttle and Mrs Tuttle. It is very nice to see you both here. Thank you for accepting our invitation. I understand that you are going to give us an address on the relations between Wales and the United States of America. May I ask you to start now, and I will bring the First Minister in later? Please excuse the sound effects in the background.

[159] **The First Minister:** They are incredible hailstones.

[160] **Sandy Mewies:** They were especially arranged. [*Laughter.*]

[161] **HE Mr Tuttle:** I do not know if I have ever spoken in a hail storm.

[162] **Sandy Mewies:** This may be a good time for me to say that if you need to have your hearing enhanced, channel 0 on the headsets should be working. We are not going to be able to use the Welsh language, I am afraid, because of technical difficulties, but if you switch the headset to channel 0, it will enhance your hearing.

[163] **HE Mr Tuttle:** I am okay. It is my honour and privilege to address you in this magnificent building, so resplendent in the materials that literally make up the fabric of Wales. One year ago, almost to the day, Maria and I came to this building, on St David's Day, to represent the United States at your official opening ceremony and it was a really grand day. There was no hail, but I remember standing outside, being interviewed by television crews, with the sun out and it snowing—I thought that that was really very special. Then I had the honour of being the guest speaker at a St David's Day dinner with your compatriots in London. I told them a story about John Adams, which I will repeat, if you do not mind.

[164] In 1790, our founding fathers selected a site along the Potomac river for their new

capital, including the residence for the President. Like this building, it took eight years from conception to fruition, and it changed names in the process. So, it was not President Washington who was the first to live in what eventually became known as the White House, but our second President, John Adams. As Adams moved in, he set out his hopes for that building in a letter to his wife. I will quote to you what he wrote:

[165] ‘I pray Heaven to bestow the best of Blessings on this House and all that shall hereafter inhabit it. May none but honest and wise Men ever rule under this roof.’

[166] That quote is now inscribed over a mantle in the White House. May the same apply to your house. From what I have seen in my experiences here, it certainly has. I am confident that that will be the case, because it is clear from any reading of early American history, from the many signers of the Declaration of Independence to a long line of Presidents, including Thomas Jefferson, that the Welsh played a crucial role in the development of what we know today as a radical approach to freedom and government.

[167] Not only did Welsh people help to build our government, they built our country’s art and infrastructure through architects like Frank Lloyd Wright. With no disrespect to Richard Rogers, Frank Lloyd Wright is my favourite architect. They helped to rebuild Europe 60 years ago through George Marshall and the recovery plan that bears his name. In education, as you are probably aware, the founders of Harvard and Yale had Welsh roots and started a tradition of knowledge sharing that continues to this day with the 2006 Fulbright fellow in British history, Dr Richard Allen, from the University of Wales. Writers, financiers, entertainers and, if I can save the best for last, my wife Maria, all have roots in this land of freedom-loving poets, minstrels and warriors.

[168] To me, the lyrical call of freedom from your ancient land to the United States, where freedom rings, remains undiminished by distance and unbroken by time, because I believe that those who have shared a dream of freedom also share the future. The story of Wales is the story of the future. If the history of the twentieth century was about territory and power, I believe that the politics of the twenty-first century will be about nationhood, identity and freedom. In this place, the Welsh people are once again shaping the most basic structures of a new Government and leading an ambitious and pragmatic people.

[169] Rather than abandon your heritage in the face of external pressure, you have been refreshing your language and updating your traditions. You are also building new industries to compete in a global marketplace, by creating thriving, innovative businesses. I remember when I first visited with Rhodri, he pointed—I do not know in which direction—and said, ‘There is going to be a new high-tech centre over there’, and I hope that you are making a lot of progress like that. At the same time, you have been protecting your communities and your livelihoods, be they in hill farming or high technologies.

11.40 a.m.

[170] Diversity encourages innovation and growth at home and it encourages investors to the United Kingdom, and specifically to Wales. I have a few statistics. Since 1996, American companies have invested in 173 projects in Wales, compared with 62 by Japan and 43 by Germany. Approximately 180 American companies have a presence in Wales, with a combined investment of \$8 billion, providing employment to over 30,000 people. We are proud to be your biggest investor. I am sure that your new International Business Wales team will make even more progress in finding attractive opportunities for the United States to invest in Wales.

[171] At the same time—I would be remiss if I did not say this as the American ambassador—I hope that Welsh companies find investment opportunities in the United States

that will help them to expand their businesses into the world's largest market. The people of Wales are responding to a sense of renewal in politics, business, culture and civil society. I mentioned Thomas Jefferson, renowned for his faith in the people and in the necessity of liberty for the fulfilment of man's potential. Inspired by his Welsh roots, as well as his own observations of American political life, he once wrote,

'No man has greater confidence than I have in the spirit of the people'

[172] and,

'Whatever they can, they will'.

[173] I am sure that you have the same confidence in the Wales of today.

[174] I will conclude with a greeting in honour of St David's Day from the President:

'I send our warmest greetings to the people of Wales from the United States of America. On behalf of the American people and from my family to yours, I wish the people in Wales and Welsh people everywhere a wonderful St. David's Day.'

[175] **The First Minister:** I respond on behalf of the Assembly Government, the Assembly, this committee and its members by welcoming very much the fact that you, personally and as the emissary of the President, have been able to share with us—albeit 24 hours early—the celebration of our national day. It is particularly opportune as far as I am concerned, because, once this afternoon's Assembly proceedings are over, I will be hightailing it to London to catch a very early flight from Heathrow to the USA to try to carry on the St David's Day spirit and celebrations in your country, just as you are here, helping us to celebrate our national day in our country. I will be participating in ceremonies at Ground Zero, the United Nations headquarters and Columbia University in order to get much of the same message across as you so eloquently and skilfully articulated here now.

[176] The political relationships and the all-important business relationships, which you have just listed for us, between Wales and the USA are the fundamentals of an ever-closer relationship between Wales and the USA—Wales in its new guise, over the past eight years, as a devolved democracy with the ability to cut our own path, in a way that had a partial forerunner in the way that the USA was built, although you started by a different method. We started with a unitary state with areas like Scotland and Wales, and, we hope, very shortly Northern Ireland, then given democracy around the edges of the country—what has happened with English regional devolution in the past is not for me to say. We started with a unitary state, which is not now quite as unitary as it was, given what has happened in Scotland, Wales and, we hope, Northern Ireland.

[177] You started from the other direction of having states that formed a federal Government, 200-odd years ago, and you mentioned some of the Welsh influence on that as being very important. There is a special Welsh flavour to politics and that flavour entered into what the founding fathers did when they wrote the constitution. It is that element of non-deferential politics in which the citizen yeomanry of the country is regarded as the people who should be taking the decisions, not receiving the decisions from others. You can see that in the way that we work now and you can also see it as having imbued everything that founded the USA. That may have been 200 years ago, but that spirit is alive today. I am grateful for your message of goodwill, as I am sure is the rest of the committee. Diolch yn fawr.

[178] **Sandy Mewies:** Thank you, First Minister. If it is okay with you, ambassador, I will ask Members whether they have any questions. Is that all right?

[179] **HE Mr Tuttle:** Absolutely.

[180] **Michael German:** On behalf of my party, I welcome you, ambassador, back to the National Assembly for Wales. You mentioned two great people with Welsh ancestry; last summer, I was able to visit the homes of Thomas Jefferson and Frank Lloyd Wright, which are some distance apart. I travelled between the two by Amtrak, which was a novel experience; I hope that your journey today has not changed your view that railroads could be a good thing.

[181] As the First Minister said, the US has come to form a unitary state from a separate federal structure. I feel that, in the United Kingdom, we are working our way towards federalism; that is, the other way around. Some of the consequences of that relate to the relationship between the centre and, in your case, the states and how that balance works. I will frame this question in a more general aspect relating to climate change. I have noticed that, for example, the governor of California and others have now set very stringent targets for climate change in some states in the United States; these are not always matched by an aspiration by the federal Government. Can you tell us a little about how tensions of that kind are handled in the United States, given that we are seeking to feel our own way and strengthen our own way and do our bit with regard to climate change?

[182] **HE Mr Tuttle:** Thank you for your kind remarks. I think that most of you know that I am from California. There are many people in California—certainly not me—who think that it is an independent nation. I am just kidding, but California is very independent. Rhodri raised the same issues with me in our short meeting beforehand. California has been a bellwether. We had strong emission standards many years before the federal Government put them in. My background is in the automobile business, and automobile manufacturers said, when those standards were imposed in California, that they would never work. Well, they did work and California has led the way, not only with emission standards, but in automobile design and in many other areas.

[183] To answer your question, there is always tension in a federal system. I would compare it with where you are heading. Those tensions will continue, but I think that they are healthy. When you look at America, the governors of many states are first-rate chief executives and lead in different ways, whether with regard to climate change, or healthcare. The former governor of Massachusetts, Mitt Romney, has declared his intention to run for President; he was responsible for getting a very advanced healthcare programme through the legislature of Massachusetts. So, over our history, our states have served as laboratories of democracy. That is very healthy. Having said that, I think that you all know that the President, in his state of the union address, talked about climate change and the threat that it poses for human life and all life on this planet. He proposed the first increase in corporate average fuel standards in many years. As I said to Rhodri, I think that you will see in congress this year or next year an increase in corporate average fuel economies, which is needed in the United States, because, more than anything else, that will have an effect on reducing greenhouse gas emissions.

11.50 a.m.

[184] **Jeff Cuthbert:** Thank you, ambassador. I enjoyed your opening statement. I am grateful to you for coming along today. You said that the story of Wales is the story of the future, and I agree with you. There is a vast difference in size between our two countries, both in terms of geography and population, but, to a degree, we face similar challenges. We have cut-throat competition in terms of manufacturing industries with countries with the significantly lower labour costs of the far east, China, India and the former eastern Europe attracting industries away from here—I am sure that something similar happens to you. How

do you feel that strong links can be developed in a structured way between the United States and Wales? That is bearing in mind that we are not a separate country but part of the United Kingdom, so we have no formal responsibility for foreign affairs, but nevertheless, we have a keen interest in what is happening in other parts of the world. That would perhaps specifically be on the issue of skills, because we believe that we will retain manufacturing and develop investment on the basis of the added value of our workforce being highly skilled, and therefore attractive to investors. Do you feel that there is some scope for sharing knowledge and resources between our two countries?

[185] **HE Mr Tuttle:** Unquestionably. The fact that your international business team is going out not only to the United States but all over the world to tell the other economies of the world what the advantages are of doing business in Wales is the key to that. You see that in the United States not only at a state level but also at a city level. Maria and I hosted a delegation from Florida that spent a lot of time travelling all over the United Kingdom telling people why they should do business in Florida, and what the strengths of doing business in Florida are. I suspect that a delegation will come from California to do the same thing before we leave this posting. So, unquestionably, especially today, in a knowledge-based economy, it is important that you are out there telling all the other economies in the world what your skills are and sharing information.

[186] Rhodri talked about his hopes for Northern Ireland, and I agree with him. On Monday, Maria and I were at Queen's College, Belfast, and the people there were talking about their association with American universities in sharing knowledge and research. I think that that is the key to the future, because you are going to discover something in Wales and someone in the United States is going to say 'Boy, what a great idea; let's do that', and by working together we can make it bigger and stronger. So, I think that that is the key and that you are headed in absolutely the right direction. I am a little reluctant when you send someone to the United States who is as persuasive as Rhodri—you may take a lot more jobs from the United States than we want you to do—but we are delighted that he is coming, and I think that he will have a great four days in New York city.

[187] **Sandy Mewies:** Thank you for that. I have my own export, because my son is out in Washington State at the moment doing a semester in a university there, so it is a bit of two-way traffic.

[188] **HE Mr Tuttle:** Which school is he at?

[189] **Sandy Mewies:** He is at Washington College in Chestertown, Maryland. He tells me that the weather is also pretty cold there—cooler than here, I think.

[190] **HE Mr Tuttle:** There is a lot of rain. I went to the University of Washington in Seattle for a semester and it is a wonderful and beautiful area, but there is a lot of precipitation.

[191] **Sandy Mewies:** Yes, it is very wet. Thank you for taking time out of what I know is a busy schedule to be with us today. We appreciate it and we appreciated your kind words in joining with us to celebrate our national day. It is a great pleasure, and I am sure that Rhodri will be joined by many other people doing the same thing when he gets to New York; I understand that the Empire State Building will have the same treatment as last year, with our flag highlighted on it. It would be nice for us all to be able to see that, but we are glad to have your presence there. Thank you; it has been a pleasure having you here.

[192] **The First Minister:** I will just add a tailpiece, if I may. The ambassador has told me that he will be president of the day in the Llangollen International Musical Eisteddfod, so that will be an occasion that he will never forget.

[193] **Sandy Mewies:** It is held not too far from my home town—it is a marvellous occasion.

[194] **HE Mr Tuttle:** I think that your area is where Maria's family is from. Is it Montgomeryshire?

[195] **Sandy Mewies:** I am from Wrexham, which is not too far away. However, we had a Tuttle Street in Wrexham, by the way.

[196] **HE Mr Tuttle:** Really? Maybe you have taught me something about my genealogy that I did not know.

[197] **Sandy Mewies:** I will be looking it up on the web.

[198] **The First Minister:** It is certainly where Elihu Yale came from.

[199] **Sandy Mewies:** When I was the mayor of Wrexham, I hosted the tercentennial celebrations, and we had 300 alumni from Yale who came because they are regular visitors to Wrexham parish church, where Elihu Yale is buried.

[200] **The First Minister:** I only learned the other day, when I was at Yale college, not Yale University, that there was almost a trade dispute between Yale University and Yale college over the naming of that local college of further education—the sixth form tertiary college in Wrexham—and the university on the other side of the pond, but it was settled amicably.

[201] **Sandy Mewies:** I was there, so I know that it was settled very amicably.

[202] **HE Mr Tuttle:** Thank you, Sandy. Thank you all for coming today.

12.02 p.m.

**Margot Wallström, Comisiynydd, y Comisiwn Ewropeaidd
EC Commissioner Margot Wallström**

[203] **Sandy Mewies:** Welcome Commissioner Wallström, it is very nice to speak to you via this video link. It is the second time that the committee has done this, and we are looking forward to hearing what you have to say.

[204] Due to technical difficulties, we cannot provide translation to Brussels, so I would appreciate it if Members could speak in English. We cannot provide that at this stage. I invite the commissioner to give your presentation.

[205] **Ms Wallström:** I would have preferred to have met you in person; it would have been fantastic to be there with you, but as the second-best option, I appreciate this opportunity to meet you. I am very disappointed to hear you say that you will speak only English, because I have taken my first lesson in Welsh. So, I wanted to say, 'Diolch Prif Weinidog—Thank you, First Minister', and then go on, but that is as far as my Welsh goes, so I think it will be easier for us if I also continue in English. Welsh is not an easy language to learn, particularly if you are trying to learn it in just one or two lessons.

[206] I know that we do not have much time at our disposal, so I will make a brief introduction and I will then be happy to answer any of your questions. I hope that we can

have a fruitful discussion with the help of modern information technology. I also understand that this is the last meeting of your committee under the current Assembly mandate and that elections are just around the corner. My first point is an appeal to you—when the Welsh go to vote in a few months' time and when you go out campaigning with and for your parties, do not forget the European questions. It is so important that politicians at all levels help people to understand the European context, how we co-operate and how the decisions made at European level affect them. So, I hope that you are willing to take the lead on Welsh EU ownership, namely to talk about Europe. This is inevitable today when very few of the big important political challenges that we see before us can be handled by one nation state alone, but require international and European co-operation.

[207] I also think that both ownership and engagement by the citizens and the politicians are vital for the European Union to function well. It is particularly important this year because, as you know, we are discussing institutional reform and the proposal for a new treaty—you could call it the constitutional dilemma, if you pardon the expression—and also because we are celebrating 50 years of European co-operation. It is important to celebrate and to look back at the achievements of what we have been able to accomplish together. It is equally important to establish again the values that we have in common and the foundations for European co-operation. It is also important to look to the future, and ask young people, especially, what they hope for Europe in the future, what their hopes are for the world, and how we can use European co-operation to tackle issues such as climate change, unemployment, and the things that are important to them. Those are challenges at local, regional, and international level.

[208] That is the advantage of being together—to define and defend our common values and projects. 'Togetherness', as you know, is also the logo or the slogan—or slogo—that we have chosen. A young Hungarian art student won the competition for the best design, which we translated into all official EU languages. Since we are together, at least virtually, right now, I would like to make a special presentation to you. I hope that this is correct. We are also 'together' in Welsh, so I will put this slogan where I hope you can see it. I have no idea how you pronounce it, but perhaps you can help me with that.

[209] **Sandy Mewies:** It is 'Gyda'n gilydd'.

[210] **Ms Wallström:** Okay. Communicating is all about dialogue and, in Wales, most dialogues, I guess, are in Welsh. That is why I wanted to signal to you also in this way that we also want a dialogue. I hope that these issues are also high up on your agenda, namely how we reply to the political concerns of people in Europe, how we use, in the best possible way, European co-operation, and how we communicate and deepen democracy in Europe in order to engage more citizens in political life and decision making at all levels. Thank you for being there, and perhaps this can be an introduction.

[211] **Sandy Mewies:** Thank you, commissioner. We have appreciated the head of the European Commission Office in Wales, Andy Klom, attending our meetings over the past few years. It has been of great value to us, and I take your point entirely about promoting Europe. We have done our very best to do it and we will go on—well, certainly I will try to go on—doing so. I will now take questions from Members.

[212] **Michael German:** Thank you, Commissioner, for giving us your time this morning. A few Members from another committee visited the International Institute for Democracy and Electoral Assistance, which is based in Stockholm, where research is carried out on young people's engagement in the political process around the world, particularly in the developing world. One key message that we took away from that meeting is that young people will not engage in voting if they miss out on that very first opportunity to vote when they reach that age. We asked what the one thing was that we could do to engage young people more in the

political process. We were told that it was about education; it was about what happens in our school system. This was not only in Wales or the United Kingdom, but across the whole of the western world. Your work and this committee's work teaching people and helping them to understand Europe is crucial. Our research found that, far too often, people learn about the political processes, but not the politics that underpin democracy.

12.10 p.m.

[213] Can you give us some idea about what the European Commission is doing and can do to assist teachers, who do not always like to engage with politics? That is the part of education that sometimes frightens teachers, because they think that we should keep a distance from politics. How can the commission help with teaching materials and workshops to help teachers to overcome these fears? In particular, how can we overcome the talk about the institutions of Europe and replace it with talk about what, in democratic terms, it means to be a European?

[214] **Ms Wallström:** I think that your question brings us straight to the core of what we are trying to do when it comes to establishing a new communication policy for the European Union. As I see it, communication is a two-way exercise. It has to be a tool for democracy, because we are not selling socks or Coca Cola in the European Union; we are involved in a political decision-making process. We are engaged in a democratic development in Europe, with all the complex institutions that we have and with all its downsides and successes; that is what we are doing. This is another platform, at the European level, where we will see all the ideological differences and the different values displayed and exposed. However, we must use that platform.

[215] It means that you also have a right as a citizen to get information on what goes on, namely what the institutions are, of course, and also what happens in the European Union. That is necessary in order to have a voice and some kind of influence over this political decision-making body. That is why what I could call 'civic competences' are so important, and why civic education is, of course, the first point of departure. That is why I share your view, and I know that this is the point that you made in reply to our White Paper on a new communication policy; you commented particularly on this chapter, which is concerned with education. We said that this is very important; this is where it has to start. As a citizen, you have a right to know about this, and it should start in school. Just as you learn how your country is ruled and how decisions are taken, you need information about how things happen at a European level and an international level, with the UN and so on.

[216] We have proposed different networking or co-ordination of material, exchange of best practices and even an organised exchange for teachers at the European level where they could learn from best practice. I still think that this is a very important proposal. There is even a discussion at the European level now about having the same educational material, the same history book, so that, I hope, we will be able to tell Europe's history and agree on how to describe it. I do not know whether it will ever be possible, but it would be a fantastic project if the big powers in the European Union could agree on how history should be written and taught all over Europe. I am not sure that we will reach that stage, but at least we should be able to have an exchange of best practice, and I am absolutely convinced that this will be one of the conclusions drawn from the consultation period on the White Paper: that this is a very important follow-up. Today, it is not a given that, as a young student, you will get that information, about either the institutions or the policies decided at the European level, and that is shameful, in a way, because I see it as a right of the citizen. So I share your starting point, and I think that this is how it can be done, giving us the possibility of teachers meeting and exchanging methods, materials, and anything else that helps in schools.

[217] **The First Minister:** Good afternoon, Margot. It is very good to see you again, if only

in spirit rather than in body, and as you tried out your Welsh, I feel that I should say to you, *tack så mycket; jag gratulerar dig till din bra walesiska*. Although that may sound more like Danish to you.

[218] I think that there are some unique opportunities this year to crack the da Vinci code of how to communicate the European Union to its own citizens—provided that we can overcome the great divide between the aspects of Europe that are of interest only to the chancelleries, and the aspects that are interesting to the citizens. We have two opportunities this year to marry those two things together: one is the fiftieth anniversary, and the other is in terms of the fact that, certainly for us in Wales, Europe is now being made a live issue by the presence of quite significant numbers of citizens, whether they are schoolchildren or workers, from the new accession states especially. That makes Europe more of a daily issue, and more of a reality, to ordinary people—for example, when your five-year-old schoolchild comes home and asks whether he or she can bring home a Lithuanian, Polish or Hungarian child, who happens to go to the same school but may not have much English, as they would like to play together. This melting-pot of Europe that accession has created is a bit of a new phenomenon for us. We now see far more melting-pot Europe in inner cities, and in rural areas too, because many of the new accession-state citizens will be working in agricultural industries, in slaughterhouses, on farms, and so on, as well as in big cities.

[219] This was brought to life for me recently when I visited a Catholic school in inner-city Cardiff, where the staff were in a state of desperation over two Lithuanian children; their parents had not one word of English, and neither did the children, so they had to phone the university and ask whether there were any Lithuanian PhD students who would like to earn a few pounds by coming over for an hour a week just to help them through this crisis. They did not even know how to tell them where the toilet was, because they did not know the word for toilet in Lithuanian, which happens to be *'tualetus'*—that is the only word of Lithuanian that I know. You can see that this reality of the new Europe is creating something that the old Europe, before the accession of the eight, now 10, ex-Warsaw pact countries, could not create. So it is a huge opportunity to help get the message over that there is something here that we are living through every day, and it is not simply a matter for Governments to talk to Governments about; it is also a matter for citizens to try to understand what is happening.

[220] **Ms Wallström:** Absolutely, and this also touches on the language issue, which I think our discussions will increasingly focus upon: how do we manage the challenge of working with 23 official languages? You would probably prefer that there were at least 24, with the language that you have too, and we are seeing this more and more.

12.20 p.m.

[221] How do we manage? We often feel that we do not have enough resources, because communication is based on understanding one another, but it also means that we have a challenge for our school systems in ensuring that children can learn to speak at least one or two languages additional to their mother tongue from their early years. That is one thing, but what you say also has to do with how Europe is transforming and changing our everyday lives. From my point of view, this also has to do with the lack of what I call a 'European public sphere', in that, if all the decision-making has moved up, the political parties are still mainly national. What we see is that European political parties are more embryonic, and we have to make sure that European issues are integrated into political life at all levels, including nationally or regionally.

[222] Secondly, the media are also mainly national, local or regional; they do not normally cover what goes on at the European level, so it is hard to follow exactly the debate on Europe or in Europe.

[223] Thirdly, we do not have the meeting places, for somebody from Wales to meet a person from Bulgaria, Romania or Spain for the first time, to discuss how we are going to live together in Europe. That is why it is so important to invest in all three of those areas: at the political level, of course, with the media to help to report better what happens at the European level and create a debate on these issues, as well as having meeting places. For the first time, there are possibilities for people actually to meet each other, even if it is sometimes virtual; it does not have to be a geographical or physical possibility, and that would at least give them the chance to get to know other people living in this enlarged European Union. It is important to consider investing in those possibilities for the next 50 years.

[224] To be a bit provocative, I could ask why it was not natural to let plumbers from Poland, France and Sweden meet so that they could discuss the European labour market in the future. Nobody thought of that, but that tool would be used in the debate about how Europe is transforming, how the labour market is changing, and how we are afraid that we will lose jobs from one member state to another. We can actually give them a voice today, and we should provide that possibility. You are so right to point out that this can carry with it fears as well as very practical challenges for our societies, to make sure that we can live together and see the positive side.

[225] **Sandy Mewies:** Members, do you have any other questions?

[226] We touched briefly on the constitutional treaty; do you have any thoughts on the future prospects, on how things will go, and what sort of timescales we will be looking at? What sort of information do you feel the citizens of Europe can assimilate simply? That is the answer, I think. The copies are so thick, so how can we get that message across simply to people?

[227] **Ms Wallström:** Many people say that it is a matter of trying to square the circle—18 member states have ratified it, by saying ‘yes’ to this, a couple of them through referenda; two member states have returned a ‘no’ in referenda; while the rest are sitting back and waiting to see what happens perhaps before they are willing to stick their heads out and take a decision or position on this issue.

[228] I am a member of the so-called Amato group, named after Giuliano Amato, the Italian Minister, which is formed of politicians and constitutional experts to help to do some thinking and provide input to the debate. When we last met, we discussed what exactly can be done to mobilise political will. This is happening now under the German presidency. It is listening to every Government, and is trying to discover how much political will there is to find a solution to the whole issue of the constitution. This is important. I think that we all agree that, if everything is opened up that was agreed and signed by all the leaders—all heads of state and Government—after the convention had finalised and presented this proposal for a constitutional treaty, we need to establish how we can come back to the issue without opening up the deal that was negotiated over a long time.

[229] Most member states seem to be willing to defend and say that it is necessary to make the European Union more democratic, more efficient, and more open in the way in which it deals with issues. It is very much like trying to force an extra, extra large body into a medium-sized dress, or maybe even a small size. That is our political challenge today; our decision-making is not effective to meet the needs of 27 member states. We are not open or democratic enough to let all the national parliaments, or an Assembly like yours, have a say in the EU’s decision making. Allowing the smallest member state to stop all the others from moving ahead on issues that we now know should be on the agenda for the European Union cannot be the best way to take decisions. Therefore, these are the issues. However, perhaps returning to the political task that was defined in Laeken, which was the starting point of the convention and the work on a new treaty, and having more political headlines, would make it

easier.

[230] However, I also believe that everyone realises that the name was unfortunate. To call it a ‘constitution’ was unfortunate, because, from a strictly legal point of view, it is not a constitution, but a treaty. The word leads the thought, so many people today seem to think that you should skip the name, and maybe even take out some of the symbolic items that were included in the constitution, or the treaty, such as the hymn, the flag, and so on. They are not important from that point of view, and it leads in the wrong direction—people will think that it is an attempt to establish some sort of superstate, when it is not. So, the Germans are courageous, but we do not know yet whether they will succeed. However, there must also be a few new elements if we are to succeed—to come back in France and the Netherlands, or to be successful in the UK.

[231] **Sandy Mewies:** Thank you, commissioner. We have been discussing our committee’s policy review on European and global citizenship today. If you do not mind, we will send you a copy of that review, as you may be interested in some of the thoughts and the evidence that we have had on that subject. I am afraid that this session must come to an end now, but thank you very much for being with us. Oh, I see that the First Minister wishes to come back in.

[232] **The First Minister:** May I just close by inviting Commissioner Wallström—if she has time this summer—to pay an official visit to Wales? We do not know when exactly, but would you be willing to consider that, commissioner?

[233] **Ms Wallström:** How could I say ‘no’ to such a kind invitation, with all of you in front of me? I would be happy to come. Actually, I had planned such a visit a long time ago, so it is about time that we decided on a date. Realistically, it may be in the early autumn, or after the summer break. So, I would be happy to come and visit you in Wales.

12.30 p.m.

[234] **The First Minister:** *Tack så mycket*—thank you.

[235] **Ms Wallström:** Thank you for the invitation.

[236] **Sandy Mewies:** Thank you, we look forward to seeing you.

[237] **Ms Wallström:** Thank you very much. What is ‘Thank you’ in Welsh?

[238] **Sandy Mewies:** Diolch yn fawr.

[239] **The First Minister:** ‘Diolch yn fawr’ is ‘*Tack så mycket*’. We do not say anything like ‘*Var så god*’. We do not have to say ‘You are welcome’.

[240] **Ms Wallström:** Thank you and goodbye.

[241] **The First Minister:** When we say ‘Thank you’, we do not have to reply ‘You are welcome’. It is ‘*Tack så mycket*’ and the reply is ‘*Var så god*’.

[242] **Sandy Mewies:** May I close the meeting now? It was interesting for our last meeting to span the globe in the way that it has. I thank you, First Minister, and your officials for all the help that you have given me and the committee, and for your input. I thank committee members for their patience, which I am sure I have stretched to the limit, at times. Thank you very much to the clerk and his colleagues, and to the interpreters and the broadcasters. They got the video-conferencing system going for us today, which I think is wonderful. I look

forward to seeing how the Committee on European and External Affairs lives on in the next Assembly.

Daeth y cyfarfod i ben am 12.31 p.m.
The meeting ended at 12.31 p.m.