

European & External Affairs Committee

EUR2 02-05(p3)

Date: 24 February 2005

Time: 09:00 - 12.30

Venue: National Assembly for Wales, Cardiff Bay

Title: Minister's Report

Purpose

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

Recommendation

2. Members to note the content of the report.

Background

3. The Committee last met on 20 January. This paper provides an update.

First Minister's International Activities

- 19 January Visit by the HE Giancarlo Aragona, Italian Ambassador to the UK – I met the Ambassador on his first visit to Wales. He was accompanied by the head of the Italian Chamber of Commerce who is considering opening a satellite office in Wales. He also brought a small business delegation to Cardiff and met Italian companies operating in Wales. A co-operation agreement was signed between the Cardiff Chamber of Commerce and their Italian counterpart.
- 25 - 27 January Visit of the Malaysian High Commissioner - Dato' Abd. Aziz Mohamed & business/tourism delegation - I met the High Commissioner on his first visit to Wales. Subsequently, Rob Thomas, Chief Executive of WalesTrade International, chaired a seminar between the High Commission and Welsh companies exporting to Malaysia. Also, meetings took place with Cardiff University, Wales International Consortium, the body set up to attract overseas students to Wales, and a cultural evening was held.
- 13 February Attended and Addressed the Chinese New Year Celebrations - I met with the Chinese community in Swansea and shared in the New Year celebrations. In attending the celebrations the Welsh Assembly Government showed its commitment to all of the communities in Wales.
- 23 February Visit of HE Mr José Maurício Bustani, Brazilian Ambassador to the UK – I had the

opportunity to meet with the newly appointed Brazilian Ambassador on his first visit to Wales and discussed possible visits to Brazilian companies in Wales and Welsh companies exporting to Brazil (particularly bio tech companies).

Other Issues

Joint Ministerial Committee (Europe) (JMC(E)) - 24 January

I was not able to attend JMC(E) due to prior commitments. Deputy Minister Tamsin Dunwoody-Kneafsey attended on my behalf. Discussions focused on the UK Presidency, Services Directive, Working Time Directive, Regional State Aids, Better Regulation and Single Market Scoreboard. The Committee next meets on 28 February.

Andy Klom Meeting - 2 Feb and reception on 8 February

I met with Mr Andy Klom, the new Head of the European Commission in Wales. It was an opportunity to formally welcome him to Wales and discuss a range of policy areas of interest to Wales. The meeting reinforced the good relationship between the Welsh Assembly Government and the European Commission Office in Wales and our mutual desire to continue to work together.

I also attended and spoke at the welcome reception for Andy hosted by Ian Barber, the Acting Head of the European Commission in the UK.

Slovenian Ambassador 31 January / 1 February

I was unable to meet the Slovenian Ambassador, HE Mr Iztol Mirošič, due to prior commitments, however two other Ministers met the Ambassador: Andrew Davies AM and Alun Pugh AM. I understand that these meetings discussed strengthening relationships between Wales and Slovenia. The Ambassador was keen to establish an honorary consul in Cardiff, see the development of economic co-operation and to facilitate an agreement between the Slovenian National Park and Snowdonia National Park.

Euro Ministers Meeting 2 February

A meeting of Ministers who have Euro responsibilities took place at HM Treasury on Wednesday 2 February 2005. Jeff Andrews attended on my behalf. The Welsh Assembly Government has completed the 'planning phase' of preparations by completing a Euro Changeover Plan. HMT are now asking all government departments and devolved administrations to maintain momentum and progress to the next stage of planning. A draft Managed Transition Plan is out for consultation (by March '05) and the draft Consumer Protection Framework will be out for consultation in the Summer. If members wish to have sight of the Managed Transition Plan they can access it at the following link:

<http://www.euro.gov.uk/publications/MTP.pdf>

The Chancellor is due to provide an update on the Euro in his forthcoming budget statement.

Visit to Wales by Minister for Europe, Dr Denis MacShane – 9/10 February

Denis MacShane visited Wales on 9/10 February. The Minister's visit was part of a series of events he is undertaking aimed at raising awareness of the benefits of EU membership and to discuss topical EU issues. After an overnight stay in Cardiff, he attended a breakfast business meeting with the CBI and undertook a programme of visits in Swansea. During his visit he participated in a Phone-in on BBC Radio Wales, toured the National Waterfront Museum, and launched the EU Presidency logo at Mission Art Gallery, which was followed by a discussion with art and design students from Swansea College. Mr MacShane also used the visit to announce that the Foreign Secretary, Jack Straw will host an informal meeting of the EU Foreign Ministers at the Celtic Manor Hotel on 1 and 2 September. The meeting will take place during the UK's Presidency of the Council of the EU. This is in addition to the Competitiveness Council that will be held in Cardiff on 10 -12 July and is great news for Wales. The visit had been planned for 19/20 January, but was postponed until 9/10 February because of other pressing commitments.

Visit by Commissioner Borg 27 / 28 January

The Minister for Environment, Planning and Countryside met with Commissioner Borg, EU Commissioner for Fisheries and Maritime Affairs. Commissioner Borg visited various parts of the UK during this trip, but his visit to Wales was ostensibly planned as a private visit to Aberystwyth University. However, he welcomed the opportunity to have a meeting about the Welsh fishing industry and later to visit a number of projects in Aberystwyth supported by the FIFG fund of the Objective 1 Programme, including the development of Fishermen's Association, Fishing Vessel Refits and Safety Equipment Upgrade.

Visit to Navarre, Spain 10 / 14 February

Andrew Davies led a delegation of Welsh Local Authority representatives to the regional government of Navarre, Spain between 10 and 14 February. The visit provided an opportunity to see at first hand the scale of development required to meet the Assembly Government's 2010 renewable target and to understand the policy underlying the draft Technical Advice Note 8 on renewable energy.

In addition, it also allowed delegates the opportunity to understand and see the benefits that Navarre's development model for renewable energy can potentially bring to Wales. Furthermore, the delegates witnessed how sensitively sited wind projects have accrued very high levels of public support for renewables and in particular onshore wind. The visit allowed the full range of issues associated with real large-scale renewable developments to be actively considered and understood.

Eurostat Regional GDP Estimates

On 25 January Eurostat published regional GDP estimates up to 2002 for the 25 member states of the EU, using a new methodology.

GDP per head in West Wales and the Valleys in 2000, 2001 and 2002 was 73.1, 72.7, and 75.5 per cent of the EU25 average respectively. (Under the previous methodology it would have been 75.2, 74.5, and 77.8 per cent.)

Average GDP per head in West Wales and the Valleys over the three years 2000 to 2002 is given as 73.8 per cent of the EU25 average, compared to 75.9 using the old method. West Wales and the Valleys would qualify for full Convergence (Objective 1) status in the next round of structural fund programmes for 2007 to 2013 if this was the set of 3 year statistics used to determine eligibility. For Wales and its constituent NUTS2 regions the

Eurostat estimates are lower than Office for National Statistics (ONS) figures would suggest, because of an unexpected change in methodology. The ONS is seeking clarification of the new methodology from Eurostat.

Were Eurostat to revert to its previous methodology, it is estimated that GDP per head in West Wales and the Valleys for 2000 to 2002 at 75.9 per cent of the EU25 average would confirm previous expectations of statistical effect / phasing out status for the 2007-13 period.

Rhodri Morgan AM
First Minister

EEAC First Minister's Report

Date	Assembly Minister/ Official/ Division	Event	Objectives	Outcomes

19 January 2005	First Minister	Visit of HE Giancarlo Aragona, Italian Ambassador to the UK	Ambassador's first visit to Wales. He was accompanied by the Head of the Italian Chamber of Commerce, who is considering opening a satellite office in Wales. He also brought a small business delegation to Cardiff and met Italian companies operating in Wales	Possible opening of a satellite office of the Italian Chamber of Commerce in Wales. Agreement of co-operation signed between the Cardiff Chamber of Commerce and its Italian counterpart
19 January 2005	Frank Cuthbert, Head of Local Government Democracy Team	Visit of 6 Mexican MPs	To explain to members of the Mexican Commission on Strengthening Federalism the system of local government in the UK in areas such as access to public funds, level of dependency, impact of EU legislation, functions of the police and justice systems, regional elections, salaries and career structure.	The delegates fully participated in the discussion and welcomed the information on structure of local government, local elections and responsibilities of the Assembly and UK Government in relation to these.
25 - 27 January 2005	First Minister, Rob Thomas WTI,	Visit of the Malaysian High Commissioner & business / tourism delegation	Seminar between High Commission and Welsh companies exporting to Malaysia. Meetings with Cardiff University, Wales International Consortium and a cultural evening.	This was the High Commissioner's first visit to Wales. It is hoped that the visit will encourage Welsh companies to consider Malaysia as a possible country to export their goods and services to. This was also an opportunity for the Malaysian community in Wales to meet with the High Commissioner.

27 January 2005	Minister for Environment, Planning and Countryside	Meeting with Commissioner Borg - EU Commissioner for Fisheries and Maritime Affairs	Commissioner Borg was visiting various parts of the UK during this trip, but his visit to Wales was ostensibly planned as a private visit to Aberystwyth University. He welcomed the opportunity to have a meeting about the Welsh fishing industry and visit some EU funded projects.	To give Commissioner Borg a flavour of the Welsh industry with references to EU issues that are of interest to Wales and to take the opportunity to invite Commissioner Borg to re-visit in the future.
1 February 2005	Minister for Culture, Sport and Welsh Language Minister for Economic Development and Transport	Meetings with Slovenian Ambassador HE Mr Iztol Mirosic & accompanied by Mr Bojan Skoda	Ambassador's first visit to Wales and an opportunity to meet with Ministers, WDA & British Council. Also to plan the visit of Lord Mayor of Ljubljana (British Council visit) later in the month. .	Provided the Ambassador with an opportunity to liaise with the WDA and to meet the British Council who are planning a Mayoral visit from Slovenia later in the month. Possible establishment of an Honorary Consul in Cardiff. Development of economic co-operation – possible link between Cardiff Chamber of Commerce and Ljubljana. Facilitate an agreement between Slovenian National Park and Snowdonia National Park.
2 February 2005	First Minister	Meeting with Andy Klom the new Head of the EC in Wales	Introductory meeting	Discussed policy issues of importance to Wales and maintain the good relationship between the Welsh Assembly Government and the European Commission Office in Wales

8 February 2005	First Minister	Address the welcome reception for Andy Klom the new Head of the EC in Wales	To welcome Mr Klom to his new post	To introduce Mr Klom to the wider "Team Wales"
9 February 2005	Minister for Finance, Local Government and Public Services	Tanzania Visitors	The main objective for the visit is to learn about public services and reforms in civil service in this country and how the British model could be applied to Tanzania.	Shared information on human resource policy and management in the civil service and in the public service.
10 – 14 February 2005	Minister for Economic Development and Transport	Delegation of Welsh Local Authority representatives to the Regional Government of Navarre, Spain	To provide an insight into the Assembly Government's 2010 renewable development target and to understand the policy underlying the draft Technical Advice Note 8 on renewable energy.	Gained an understanding of the benefits that Navarre's development model for renewable energy can potentially bring to Wales. Insight into how sensitively sited wind projects have accrued high levels of public support.
13 February 2005	First Minister	Attend and Address the Chinese New Year Celebrations	To meet with the Chinese community in Swansea and share in the New Year celebrations.	Demonstrated the Welsh Assembly Government's commitment to all of the communities in Wales.
18 - 20 February 2005	Minister for Environment, Planning and Countryside	Gulfood 2005, Dubai, UAE	Assist Hybu Cig Cymru/ WDA Food Directorate to promote the Welsh products being exhibited for the first time at Gulfood. To meet with Welsh businesses and witness first hand their efforts at securing business in a rapidly emerging world market. Also to help raise the profile of Wales in the global market	Discussions with key meat buyers/importers at Gulfood 2005. Extensive tour of the Show and met with Welsh companies at British Embassy reception.

			place.	
23 February 2005	First Minister	Visit of HE Mr José Maurício Bustani, Brazilian Ambassador to the UK	Newly appointed Ambassador – first visit to Wales	The Brazilian Ambassador has recently been appointed so this was his first visit to Wales. Presented an opportunity to meet the First Minister and discuss issues of mutual interest, particularly in respect of trade.