

# EUROPEAN & EXTERNAL AFFAIRS COMMITTEE

## EUR(2) 09-05 (p.1)

<b>Date:</b>	24 November 2005
<b>Time:</b>	09:00 - 12.00
<b>Venue:</b>	National Assembly for Wales, Cardiff Bay
<b>Title:</b>	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 12 October. This paper provides an update.

### First Minister's International Activities

- **19 October 2005 Meeting with HE Alain Mensah-Zoguelet, Ambassador for the Republic of Gabon**

I met the Ambassador who was making his first official visit to Wales, and discussed, amongst other matters, educational links and co-operation.

- **25 October 2005 Visit of Japanese delegation**

I had a courtesy meeting with former Prime Minister Yoshiro Mori of Japan and the Japanese Ambassador HE Yoshiji Nogami at the Millennium Stadium. Mr Mori leads the committee bidding for Japan to host the Rugby World Cup 2011 and was in Cardiff with a delegation from the Japanese Rugby Football Union to make a presentation to the WRU - part of a tour of countries who compete in the six nations tournament. I was not present at the meeting with the WRU.

- **27-30 October 2005 Visit & Trade Mission to Argentina**

I visited Argentina from 27 to 30 October 2005. The main focus of my time in Buenos Aires was commercial. I attended, in conjunction with Wales Trade International, 'Casa FOA', the main interior decoration lifestyle event in Argentina, where WTI had brought together over 40 Welsh companies displaying what Wales has to offer in architecture and lifestyle design. I met the Vice-President of Argentina at his private residence, and spent the remainder of my visit in the Patagonian province of Chubut, where the Welsh community is celebrating 140 years since the first settlers arrived on the Mimosas. I met the Governor of Chubut, attended the annual Eisteddfod and saw the Welsh Language project funded by the Welsh Assembly Government, in action.

- **2 November 2005 Honorary Consuls reception & dinner**

I attended this annual event which included a briefing on the Assembly Government's merger with partner organisations. The following new representatives were announced: - Sir Roger Jones (Estonia); Lt. Col. Rhodri Traherne (Hashemite Kingdom of Jordan); and Douglas Townsend-prospective (Kazakhstan)

- **9 November 2005 Meeting with Reijo Kemppinen, Head of EU Commission Representation to the UK**

I met Reijo Kemppinen, following his recent appointment as Head of the EU Commission's Representation in the UK and had a useful discussion on matters relating to Wales and the EU. Andy Klom, the Head of the EU Representation in Wales, reports to him.

- **17-20 November 2005 Visit to Silesia**

I met the Marshall of Silesia to discuss activity arising from the MOU between Wales and Silesia. I laid a wreath in Auschwitz on behalf of the people of Wales.

- **21-22 November 2005 6<sup>th</sup> Conference of Presidents of Regions with Legislative Powers (REGLEG), Munich**

I represented the Welsh Assembly Government at the 6<sup>th</sup> Annual RegLeg Conference of

Presidents in Munich on 21 November. The future role of the Regions with Legislative Powers in the construction of the EU was discussed, together with issues of subsidiarity and better regulation, and collaboration with the Committee of the Regions. The Conference adopted a declaration on the matter, and also reaffirmed support for the Constitutional Treaty. During the Conference, I accepted Wales' nomination to assume the REGLEG Presidency for 2006.

- **23 November 2005 DWP UK EU Presidency Conference "Economic Inactivity and Ill Health: Challenges and Solutions" Gala Dinner**

Together with the Minister for Education and Lifelong Learning, I welcomed guests from the Netherlands, Sweden, Finland and the UK to Wales, and to the Department for Work and Pensions UK EU Presidency Conference to discuss the challenges and solutions that face each country in providing help to those who are economically inactive through ill health.

- **23 November 2005 Visit by HE Alexis P. Lautenberg, Ambassador for Switzerland**

Together with the Minister for Economic Development and Transport, I met HE Alexis P. Lautenberg, the Swiss Ambassador to the UK, on his first official visit to Wales. We discussed establishing better links between our two countries.

## **Other issues**

- **14 November 2005 Joint Ministerial Council (Europe)**

I attended the meeting and will provide an oral update for the Committee.

- **Future Financing**

The UK Presidency held a first substantive Ministerial discussion of the main outstanding political issues on future financing at the GAERC (Council of Foreign Ministers) on 7 November. The Presidency believes that progress needs to be made in three areas: the structure of EU spending (including reflecting the new priorities agreed at Hampton Court); setting the path to a modern budget (i.e. a review clause) and Own Resources (which means for UK purposes, the abatement or the rebate as it is more commonly known).

On the basis of this discussion, the Presidency will decide how to proceed, but it expects that this discussion will enable it to put more detailed ideas for a proposal on the table later in November, for discussion at Coreper (25 Ambassadors to the EU joint meeting) and the 21 November GAERC.

The UK Presidency has stated publicly that achieving a deal in December will be difficult, but

that it is fully committed to working towards one. The Foreign Secretary, at the post-GAERC press briefing, emphasised again that the Presidency would not stop trying for a deal, although he also acknowledged the difficulty of the task.

The UK Government is fully aware of the importance to Wales of reaching a deal in December. I attended the Joint Ministerial Council Europe Ministerial meeting in London on 14 November, where I made my views known once again to UK Government Ministers.

## European News

- **New Speaker for German Parliament** – The new German Parliament has begun meeting for the first time since the elections in September, which has not yet produced a new government. By law, legislators had to meet within 30 days of the vote, but the two biggest groups are still in talks on forming a coalition. Chancellor-designate, Angela Merkel's Christian Democrats (CDU) and their Christian Social Union allies, which together emerged just four seats ahead of the Social Democrats (SPD) in the election, have eight posts in the new cabinet. This is the same number as the SPD, who struck a hard bargain with the CDU in return for allowing Mrs Merkel the chancellery. The chosen ministers can only take up their posts once the coalition talks are successfully concluded and this may not be until well into November. Meanwhile, the parliament has elected a new speaker from the CDU.
- **France hinders EU's trade talk plan** – France has distanced itself from the EU's attempts to help secure a global trade agreement by 2006, claiming that the proposals go too far. The argument had been simmering since the Trade Commissioner, Peter Mandelson put forward proposals for swingeing cuts in farm aid and trade subsidies. France said he was overstepping his mandate and tried to limit his brief. The WTO's 148 member nations gather in Hong Kong in December, when they will be hoping to get a new global free trade agreement in place for the start of 2006, with Mr Mandelson leading the EU's negotiating team.
- **New Government for Poland** – A new Polish government was sworn in on 30 October 2005. The new team will be led by Prime Minister-designate, Kazimierz Marcinkiewicz. However, the new government-elect has to be approved by a majority vote in the Sejm, probably in mid-November. A new President was elected in October. Conservative Lech Kaczynski (Law & Justice Party) defeated the Civic Platform's Donald Tusk. The final result showed he polled 54%, compared to Mr Turk's 46%. Turnout was 51%. Mr Kaczynski's identical twin brother Jaroslaw is head of the Law and Justice Party. Civic Platform and Law and Justice have different visions of Poland's place in the world. Civic Platform sees EU membership as an opportunity and wants a speedy adoption of the Euro. Law and Justice however are more wary of Brussels and want to delay abolishing the Polish currency, the Zloty. The Law and Justice Party has campaigned on a "moral renewal" platform and a return to Christian values and drew the majority of its support from the East and Centre of the country, the more rural and traditionally conservative heartland.

- **Bulgaria and Romania move closer to Accession** – The European Commission has adopted the 2005 Comprehensive Monitoring Report on Bulgaria and Romania's preparations for EU accession. The Report shows that both countries have made good progress in their preparations. They should be able to meet the requirements of EU membership at the envisaged date of accession on 1 January 2007, provided they concentrate all efforts on the reforms, with particular attention to their actual implementation. The Commission will continue to closely monitor their preparations. It will review the situation in April/May 2006 when it may recommend, if needed, the postponement of accession until 2008 should one or both countries be manifestly unprepared.
- **Informal Summit: Meeting of EU Heads of State or Government** at Hampton Court 27 October 2005. The purpose of the meeting was to set a clear direction on how Europe responds to the challenge of globalisation. There is a strong sense in the EU that Europe needs to reconnect with the concerns of its citizens and a strong feeling amongst the leaders of the EU that Europe has to move in the right direction. The European Commission produced a paper "European Values in the Globalised World" that sets out very clearly the challenge facing Europe, what member states should do in response, and what might most effectively be done at European level. There was broad agreement to both the analysis in that paper and to its ideas on the way forward.

The consensus was that while Europe sometimes needs to do more and sometimes less, in each case it needs to do better. There was strong support for the commission proposals to reduce the amount of regulation and to ensure that future regulation does not damage the competitiveness of the European economy. Also discussed was the Commission's proposal for a globalisation adjustment fund, a means of helping those individuals affected to changes to retrain and acquire new skills. The Commission will now develop a full proposal.

Further work was also agreed in the key areas for Europe's future competitiveness, economic prosperity and security.

The Commission, the UK Presidency and the incoming Austrian Presidency will decide how to take work forward in the areas of research and development, universities, addressing the demographic challenge, and energy.

It was also agreed that the Commission should look at further work on illegal immigration, crime and security. In these areas there will be an interim report to the December European Council, and final reports during the Austrian Presidency in the first half of next year.

- **Spain votes to consider greater autonomy for Catalonia** - The Spanish parliament agreed to consider a reform to grant greater autonomy to the north-eastern region of Catalonia. Under the proposals, the affluent region would be called a nation and given the right to control taxation and change laws passed by parliament. The plan passed its first reading by 197 votes to 146, but has to be amended to comply with Spain's constitution. A final vote is not expected until next year. A Basque independence plan was overwhelmingly rejected by the national parliament as anti-

constitutional, earlier this year.

- **The Euro** – The European Commission has published a report urging the new members of the European Union to step up their efforts if they are to be ready to adopt the Euro as their currency. The Commission has also encouraged new members to do more to calm the fears of their citizens about the Euro. In a recent survey, 75% of eastern Europeans were afraid the changeover would bring price rises. Estonia, Slovenia and Lithuania, who plan to join the eurozone in 2007, are the best prepared. Poland, the largest of the new members, is the only country that has not yet set a date for joining. All the new member states are obliged to join the eurozone sooner or later.

**Rhodri Morgan AM**

**First Minister**

## **EEAC FIRST MINISTER'S REPORT**

<b>Date</b>	<b>Assembly Minister/ Official/ Division</b>	<b>Event</b>	<b>Objectives</b>	<b>Outcomes</b>
19 October 2005	First Minister	Visit of HE Mr Alain Mensah- Zoguelet, Ambassador for the Republic of Gabon	To discuss educational links/co-operation, on the Ambassador's first official visit to Wales.	Links established with Cardiff University, through Professor Bruford, Conservation Biologist, Life Sciences Dept.

24-25 October 2005	Wales Trade International and European & External Affairs Division	Visit to Latvia	Trade Mission led by WTI and activities to support the MOU (this included a performance by "Fernhill" at a reception hosted by Ian Bond, UK Ambassador to Latvia, and a visit by teachers and pupils from Pennar Junior School, Pembrokeshire, to their partner school, No.1 Sanatorium School, Jelgava).	Initial indications from WTI are that several companies have secured business. The reception and school visit helped to cement and strengthen the ongoing relationship with Latvia. Attendance exceeded expectations.
24-27 October 2005	Minister for Lifelong Learning	EU Presidency Youth Event, Cardiff	<p>Hosted by the Welsh Assembly Government on behalf of the UK Government the event brought together young people from across Europe to talk about youth issues and exchange ideas about how to encourage youth participation. Part of the event involved a conference with young people, the 25 Directors General for Youth, Commissioner Yann Figel and key Commission officials responsible for youth policy. The event was followed by a meeting of Directors General responsible for youth policy.</p> <p>The European Economic Area countries of Liechtenstein, Norway, Iceland; accession countries Bulgaria, Romania; and candidate countries Croatia and Turkey also participated in the event.</p>	<p>Over 150 representatives from across Europe attended events during the week. This included eight representatives from Wales' Children and Young People's Assembly for Wales, Funky Dragon and four from each of the other home countries.</p> <p>The result of these discussions was the Cardiff Declaration, a document produced and ratified by all youth delegates, which formed part of subsequent discussions of the Directors General.</p>

<p>25 October 2005</p>	<p>First Minister</p>	<p>Visit of Japanese delegation including former Prime Minister Yoshiro Mori.</p>	<p>A courtesy meeting with former Japanese Prime Minister Yoshiro Mori and the Japanese Ambassador HE Yoshiji Nogami, at the Millennium Stadium. Mr Mori leads the committee bidding for Japan to host the Rugby World Cup 2011 and was in Cardiff with a delegation from the Japanese Rugby Football Union, to make a presentation to the WRU as part of a tour of countries who compete in the six nations tournament.</p>	
<p>27 – 30 October 2005</p>	<p>First Minister</p>	<p>Visit and trade mission to Argentina</p>	<p>To lead a trade mission to Buenos Aires, meet with Argentinian Vice-President, Scioli, and to see in action, the Welsh Language project, funded by the Welsh Assembly Government, in the Patagonian province of Chubut.</p>	<p>The trade mission was a great success – a number of joint ventures were accomplished. The visit to ‘Casa FOA’, the leading lifestyle event in South America, highlighted modern Welsh design and architecture. This exhibition, which runs until 11th December, has already attracted business opportunities for Welsh companies from neighbouring Uruguay.</p>



2 November 2005	First Minister	Reception for Honorary Consuls and official representatives in Wales	This annual event enables the representatives in Wales of foreign embassies to meet Ministers and officials.	This year, Dr Caroline Turner, Head of the Mergers Programme, briefed Honorary Consuls and representatives on the Assembly Government's merger with partner organisations.
8 November 2005	Minister for Education and Lifelong Learning	Meeting with Spanish Embassy Education Counsellor, Senor Del Tejo	To discuss the promotion of Spanish in Wales, and how Spanish features in the school curriculum	Following the meeting Senor Del Tejo will be aware of events which have taken place or are due to take place, to promote Spanish, particularly the KS2 learning of Modern Foreign Languages, and the work of CILT to promote Modern Foreign Language learning.
9 November 2005	First Minister	Meeting with Reijo Kemppinen, Head of the European Commission's Representation in the UK	Introductory visit following Mr Kemppinen's recent appointment.	Useful discussion on matters involving Wales and Europe.
9 November 2005	Minister for Education and Lifelong Learning	Visit of Hon. Canonical P.O. M. Rodriguez (MP) V.P. Parliamentary Group of Friendship with UK. Cuban National Assembly and 2 MP's.	Courtesy call on ELL Minister because of previous links re: education, sport and MOU. To exchange experience at the parliamentary level.	

17 – 20 November 2005	First Minister	Visit to Silesia	To meet the Marshall of Silesia and review existing activity under the MOU between Wales and Silesia.	Reaffirmed MOU and discussed possible future collaboration.
21– 22 November 2005	First Minister	REGLEG Conference, Munich	To represent the Welsh Assembly Government in discussions with other Minister-Presidents on the future role of the Regions with Legislative Powers in the construction of the EU, issues of subsidiarity and better regulation, and collaboration with the Committee of the Regions.	Declaration agreed and support reaffirmed for Constitutional Treaty.  Wales' nomination to assume the REGLEG Presidency for 2006 accepted.
23 November 2005	First Minister and Minister for Education and Lifelong Learning.  Also Minister for Culture, Welsh Language and Sport.	Gala Dinner UK EU Presidency Conference "Economic Inactivity and Ill Health: Challenges and Solutions".  National Museum and Galleries of Wales, Cardiff	To welcome guests and delegates attending the EU Presidency Conference about the challenges faced by EU countries in providing help to those who are economically inactive through ill health.	
23 November 2005	First Minister and Minister for Economic Development & Transport.	Visit by His Excellency, Mr Alexis P Lautenberg, Ambassador for Switzerland	As this was the Ambassador's first official visit to Wales, it was primarily a familiarisation visit, and an opportunity to meet Ministers, with a view to establishing better links between Wales and Switzerland.	