

Cynulliad Cenedlaethol Cymru The National Assembly for Wales

Y Pwyllgor Materion Cyfansoddiadol a Deddfwriaethol The Constitutional and Legislative Affairs Committee

Dydd Llun, 15 Gorffennaf 2013 Monday, 15 July 2013

Cynnwys Contents

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datganiadau o Fuddiant Introduction, Apologies, Substitutions and Declarations of Interest

Offerynnau nad ydynt yn Cynnwys Materion i Gyflwyno Adroddiad arnynt o dan Reolau Sefydlog Rhif 21.2 neu 21.3

Instruments that Raise no Reporting Issues under Standing Order Nos 21.2 or 21.3

Tystiolaeth mewn perthynas â'r Ymchwiliad i rôl Cymru ym Mhroses Benderfynu'r UE Evidence in relation to the Inquiry into Wales's Role in the EU Decision-making Process

Papurau i'w Nodi Papers to Note

Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod Motion under Standing Order No. 17.42 to Resolve to Exclude the Public from the Meetin

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are reported in the language in which they were spoken in the committee. In

addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol Committee members in attendance

Suzy Davies Ceidwadwyr Cymreig

Welsh Conservatives

Julie James Llafur

Labour

David Melding Y Dirprwy Lywydd a Chadeirydd y Pwyllgor

The Deputy Presiding Officer and Committee Chair

Aled Roberts Democratiaid Rhyddfrydol Cymru (yn dirprwyo ar ran Eluned

Parrott)

Welsh Liberal Democrats (substitute for Eluned Parrott)

Simon Thomas Plaid Cymru

The Party of Wales

Eraill yn bresennol Others in attendance

David Hughes Pennaeth Swyddfa'r Comisiwn Ewropeaidd yng Nghymru

Head of European Commission Office in Wales

Yr Athro/Professor Prifysgol Aberdeen

Michael Keating The University of Aberdeen

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol National Assembly for Wales officials in attendance

Gwyn Griffiths Uwch-gynghorydd Cyfreithiol

Senior Legal Adviser

Ruth Hatton Dirprwy Glerc

Deputy Clerk

Siân Richards Y Gwasanaeth Ymchwil

Research Service

Owain Roberts Y Gwasanaeth Ymchwil

Research Service

Alys Thomas Y Gwasanaeth Ymchwil

Research Service

Gareth Williams Clerc

Clerk

Dechreuodd y cyfarfod am 2.19 p.m. The meeting began at 2.19 p.m.

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datganiadau o Fuddiant Introduction, Apologies, Substitutions and Declarations of Interest

[1] **David Melding:** Good afternoon, and welcome to this meeting of the Constitutional and Legislative Affairs Committee. As ever, I will start with the usual housekeeping announcements. We do not expect a routine fire alarm; so, if we hear the alarm, please follow the instructions of the ushers, who will help us to leave the building safely. Please switch off all electronic equipment completely, as it will interfere with our broadcasting equipment. These proceedings will be conducted in Welsh and in English—when Welsh is spoken, there

is a translation on channel 1, and if you are hard of hearing, amplification of sound is on channel 0. Apologies have been received from Eluned Parrott, and I welcome Aled Roberts to this afternoon's meeting.

Offerynnau nad ydynt yn Cynnwys Materion i Gyflwyno Adroddiad arnynt o dan Reolau Sefydlog Rhif 21.2 neu 21.3 Instruments that Raise no Reporting Issues under Standing Order Nos 21.2 or 21.3

David Melding: The instruments that raise no reporting issues under Standing Order No. 21 are listed, should Members have any queries. Are we content? I see that we are; thank you.

2.20 p.m.

Tystiolaeth mewn Perthynas â'r Ymchwiliad i Rôl Cymru ym Mhroses Benderfynu'r UE

Evidence in Relation to the Inquiry into Wales's Role in the EU Decision-making **Process**

- David Melding: I am delighted to welcome Professor Michael Keating, who is [3] professor of politics at the University of Aberdeen. Professor Keating, we are particularly grateful to you for taking the time to come in person to attend this afternoon. We are not subject to the video link, which we often have to use to get evidence from expert witnesses who live some distance away. I also thank you for an excellent written note; to have encapsulated, in a page and a half, many of the main points we are interested in is a great achievement. However, we do have questions. I ask Aled Roberts to start us off.
- Aled Roberts: Rwyf am ofyn fy Aled Roberts: I will ask my question in nghwestiwn yn Gymraeg. Welsh.
- David Melding: Professor Keating, we will just check that your headset is on [5] channel 1 and that it is working. Are you getting the translation? I see that you are.
- [6] rhanbarthau rhyw 20 mlynedd yn ôl. Allwch chi esbonio beth oedd bwriad y cysyniad hwnnw ar y pryd?

Aled Roberts: Mae eich tystiolaeth Aled Roberts: Your evidence refers to the yn cyfeirio at y sôn a fu am Ewrop y talk that there was about a Europe of the regions some 20 years ago. Could you explain the thinking behind this concept at the time?

- Professor Keating: It contained a number of elements, but one was the notion that, in the modern Europe, sovereignty is no longer what it was in the past. States are losing sovereignty and they are sharing sovereignty in Europe. That allows an opportunity for stateless nations—we are talking about Scotland, Wales, Catalonia, and so on—to share in this sovereignty as well, so that, without becoming an independent state, they can have a distinct place within Europe. That was a concept that legal theorists and political scientists talked about. It seemed to solve the problem of having to separate from the state. It was never put into clear legal language, but the idea is something that nationalist parties are continually returning to. The Scottish National Party at the moment is proposing in Scotland what we call 'independence lite', or what some people call 'devolution max'. It is a third way, between being independent and not being independent, of trying to find some common ground.
- [8] Another element was to do with economic restructuring, the rise of regions as economic entities, the importance of regions for economic development, and the idea that, in

order to manage the European economy to achieve the single market, Europe would have to take into account regional diversity and tailor its policies and allow some ability for policies to be tailored to the interests of individual regions. So, it was a political concept, a constitutional concept and an economic concept, and some people saw that it could be realised by having some kind of third level of government, this notion of the 'third level' was talked about a lot. There would be Europe as a state and then the regions underneath it. That went a certain distance; it probably reached its highest point at the time of the Maastricht treaty, which was in 1992, when we got the Committee of the Regions, the provision for substate Governments to represent the state in the Council of Ministers, and the affirmation of the principle of subsidiarity. So, there was certain progress made.

- The problem was that regions are so heterogeneous. There are stateless nations, municipalities, and economic regions. Some regions have a strong position within their national systems, as in Germany and Belgium, but others do not, as in Italy. So, it was very difficult to see what the common interest was, and then there was a failure to institutionalise it and to provide the institutional mechanisms, going beyond the Committee of the Regions and some of the things that I have already talked about. Then, from the end of the 1990s, there was a certain tendency towards centralisation within states—a tendency for states to be worried about regions going outside. That was true in Spain, Italy and in a number of other places as well.
- So, that idea failed to live up to its promise. However, some things remain from it: the [10] European regional policy, the spatial dimension of Europe, and this notion that is still around that Europe could provide a framework for resolving some of these nationalities problems. It was a precisely formulated concept, but it was never really institutionalised.
- momentwm yn ystod y degawd diwethaf?

Aled Roberts: Felly, a yw'n deg i **Aled Roberts:** Therefore, is it fair to say that ddweud bod y cysyniad hwnnw wedi colli that concept has lost momentum over the past decade?

- Professor Keating: It has certainly lost momentum and it has lost a lot of the [12] political support that it had. At the time of the convention on the future of Europe, which was at the beginning of the 2000s, there was some discussion about getting a regional dimension into the draft constitution, which became the Lisbon treaty. I was advising the Committee of the Regions at the time; the Committee of the Regions failed to make a big impact and the regions got very little out of that. So, that opportunity was missed. Nevertheless, the reasons why that concept came in are still around there, because we still have these unresolved nationalities questions, whether in eastern Europe, central Europe or western Europe. We still have this search for some way of overcoming this dichotomy between secession or no secession. We still have a lot of regional diversity and regional disparities in Europe that need to be addressed, and we still have European regional policies. So, not all of that has disappeared, but certainly it is true that the idea as a way of redesigning the constitution of Europe has lost momentum.
- Aled Roberts: Mae eich tystiolaeth [13] chi hefyd yn awgrymu mai prin fu dylanwad Pwyllgor y Rhanbarthau. Pam ydych chi'n meddwl fod ei ddylanwad mor wan?

Aled Roberts: Your evidence also suggests that the Committee of the Regions has had very little influence. Why do you think that its influence has been so weak?

Professor Keating: First, it was given only rather weak advisory powers, and some people had thought that it may become some kind of second chamber—or third chamber, as we have the Council of Ministers in the European Parliament, which has a stronger role—but it has only an advisory role. It has a very heterogeneous composition, so it is very difficult to arrive at a common regional interest, because we have stateless nations; the German Länder, which are important institutionally, but they do not have any strong identity of their own; we have local Governments as well, which are important but have a completely different role; and we have the so-called legislative regions. Some regions are pretty well connected into their national system, like the Belgian and the German ones, and they do not need the Committee of the Regions; others may need the Committee of the Regions.

- [15] The Committee of the Regions has not always done itself a lot of favours by the way in which it organises itself. I have always thought that it is not well organised. Its efforts to make an input into the convention on the future of Europe, which was a great opportunity to do something about entrenching regions, was badly handled. It failed to intervene at the right point in the right way and so it ended up getting very little out of it. It did not even get representations, it got observers, but they were allowed to talk at the convention. So, it did not play its hand well there. The way that it organised itself was to try to get consensus by producing long and rather wordy resolutions, rather than focusing on key policy issues. I always thought that, if it focused on one or two key policy issues every year, it could make a real impact. However, that would involve reorganising the way that it behaves, being more selective, pursuing one or two issues at a time, and trying to get consensus around those issues.
- [16] **Aled Roberts:** A oes modd achub y sefyllfa o ran Pwyllgor y Rhanbarthau? **Aled Roberts:** Could the situation be turned around with regard to the Committee of the Regions?
- Professor Keating: Yes, it could, if the committee was better organised, if there was stronger leadership, and if it changed its procedures. It tends to have somewheat bureaucratic procedures. I experienced that. The most recent time that I advised it, it asked me to produce a report on the distribution of competencies among member states and regions and the Europe of the 27—actually, it was 30 states, because it included Macedonia and Turkey as well. A colleague from Florence and I agreed to do this, and we said that what would be required was not a long hard-copy report, but an interactive website on which you could get all of this information: a database from which, with two clicks, you could get all of the information you needed—how a Danish mayor is elected, what is the electoral system in Swedish counties, or whatever. We said that that is what it wanted. However, I was told by the committee that it wanted a large hard copy, which seemed to me to be extraordinarily old-fashioned.

2.30 p.m.

- [18] So, my colleague and I produced an online searchable database, with all the hyperlinks in it. We gave it to the Committee of the Regions, and it took all the hyperlinks out and made it into a 300-page PDF file, without an index, that went on its website. I asked, 'Why have you done that, because you've destroyed the utility of this thing?' It said, 'We needed a hard copy'. I said, 'You could have printed out a hard copy'. It said, 'That would have counted as two publications, and the contract said only one publication'. So, it removed the hyperlinks.
- [19] There is something wrong with an organisation that behaves like that—that just follows bureaucratic procedures, and where there is a rule, just follows the legal rules and does not think about the purpose of the exercise. There was a lot of money lost on that. The report is not on the website anymore. Someone was asking for it the other day and it seems to have disappeared.
- [20] So, there is a lack of focus, leadership and ability to concentrate on a key task, even a straightforward task like that, which could make it more influential. Instead, it goes through the motions of passing resolutions and putting out papers, rather than focusing on issues that really matter.

[21] **Simon Thomas:** I ddilyn i fyny ar y pwynt hwnnw, ar ôl yr enghreifftiau rydych wedi eu rhoi i ni, rwy'n synnu eich bod yn dal i gredu bod modd gwella Pwyllgor y Rhanbarthau. Rwy'n sier yn ymwybodol o rai o'r datganiadau a'r pethau rydych newydd sôn amdanynt, ond rwyf hefyd yn sylwi o'ch tystiolaeth a beth rydych wedi ei ddweud ar lafar y prynhawn yma nad oes gan y gwledydd hynny sydd â chyfundrefn ffederal gref, megis yr Almaen a Gwlad Belg, angen i fod yn gymaint o ran o bwyllgor fel hwn, oherwydd bod gan y rhanbarthau, fel aelodau o'r ffederaliaeth honno, ffordd o sicrhau bod eu pryderon yn cael eu pasio i fyny i'r aelod wladwriaeth, a bod honno'n ffordd llawer fwy effeithiol o sicrhau'r gyfundrefn yn y cyd-destun hwnnw. Y cwestiwn felly yw: beth yw'r wers i'r Deyrnas Gyfunol? A ddylai clatsio o hyd gyda rhywbeth megis Pwyllgor y Rhanbarthau, neu a ddylai gwledydd fel Cymru a'r Alban a thalaith fel Gogledd Iwerddon geisio gweithio cyfundrefn well tu fewn i'r gyfundrefn bresennol, fel bod ein pryderon ni yn cael eu cynrychioli'n well yn y lle cyntaf?

Simon Thomas: To follow up on that point, following the examples that you have given us, I am surprised that you think that there is a means to improve the Committee of the Regions. I am certainly aware of some of the statements that you have just mentioned, but I also note from your evidence and what you have said orally this afternoon that those countries that have a strong federal structure, such as Germany and Belgium, do not feel the need to be as much of a part of a committee like this, because the regions, as members of the federal structure, have a means by which their concerns are passed up to the member state, and that that is a much more effective way of ensuring that that arrangement succeeds in that context. The question therefore is: what is the lesson for the United Kingdom? Is it to continue with an arrangement like the Committee of the Regions, or should countries such as Wales and Scotland and a region such as Northern Ireland seek an arrangement that works better within the current arrangement, so that our concerns are expressed better in the first place?

[22] **Professor Keating:** I do not think that it has to be an either/or; I think that you can pursue these channels simultaneously. There is the Committee of the Regions, there is the mechanism for going through the UK Government and there are all kinds of other networking arrangements through offices in Brussels. Smart regions have had to play all of these at the same time. However, compared with the federal states of Europe, the UK devolved nations have a very weak position in relation to Europe, because they are allowed to participate in the Council of Ministers and some of the preparation for the preparatory meetings for the Council of Ministers, but they do not have these entitlements. The last word on the line to be taken is the UK Government's, whereas although the German federal Government or the Belgian federal Government can proceed unilaterally, they need to get the agreement of their regions for the negotiating position, and for changing that negotiating position.

[23] **Simon Thomas:** Is that actually written down?

Professor Keating: It is; it is in the constitution of Germany and Belgium. They cannot do anything about it. There is a clause precisely to deal with that. The German constitution has been changed a couple of times to deal with this, and it is part of the recent Belgian reforms. The difficulty of applying that to the United Kingdom is the asymmetric nature of devolution, the fact that there is no English Government and the overwhelming weight of England within the United Kingdom. So, it is difficult to imagine a UK Government allowing Scotland, Wales or Northern Ireland the kind of veto rights that the Belgian regions have on matters within their competence. There is no way in which you could reproduce the German system, which involves the Länder deciding by majority through their second chamber, the Bundesrat, because we do not have a territorial second chamber. Nevertheless, we could do more to ensure that where devolved matters are at stake, the devolved administrations have a right to intervene and to make their position clear and public. At the moment, the cost of influence is often agreeing to go along with the UK line and not being able to dissent from it under any circumstances. In turn, this has the effect that the

position is such that—I will not talk about Wales; I will talk about Scotland, which I know a lot more about—it is difficult to hold the Scottish Government to account in the Scottish Parliament for negotiations that have taken place behind closed doors in agreeing the British position. At the end of the day, we do not really know how much influence the Scottish Government had. I imagine that it is the same with the Welsh Government or the Northern Ireland Executive. So, there is a democratic deficit of accountability there that would not exist in Germany or Belgium, where these things are ventilated in public.

- [25] **David Melding:** This takes us very nicely on to the next set of questions, which Julie James will lead on.
- [26] **Julie James:** Good afternoon. Our Minister spoke to us at great length last week about some of the informal arrangements that are in place, how various speaking positions are reached and so on. He was quite clearly of the view that a large amount of that is based on personal relationships, chemistry, informal influence and so on. You sound as if you concur with that view. Perhaps you would like to say a little bit more about how you think that that system is working.
- **Professor Keating:** That is true. A lot of this is not very controversial, and there are agreements. Certainly, in Scotland, the change of Governments at both levels did not fundamentally disrupt this kind of arrangement, as people thought that it would do. That is how politics work. You can write things down on paper, but the reality is somewhat different. Nevertheless—and I argued this with the Scottish European and External Relations Committee last year, which had an inquiry on the same lines—it would help the position of the devolved administrations to know that they have the right to be present at these meetings, and that we are not there by invitation. When we talked to Whitehall civil servants, they say, 'Oh, but there is no problem as we always invite the "devolveds" there'. There is just something a little bit patronising about this, as if we are told, 'You don't need to worry because we will look after your interests'. People in the devolved territories tend to say, 'That is not what we want to hear; we want to know that we are there by right, and so they couldn't kick us out even if they wanted to'. That implies that if there is a disagreement, the devolved Ministers might choose not to go because they would be bound by what decision was to be taken, or indeed that some of these disagreements, which exist, could be brought out in the open. I do not think that the world would come to an end if we knew that the Welsh Government and the UK Government had a disagreement about agricultural policy and so on. I think that its something that citizens really need to know about.
- [28] This is part of a wider problem, which is that Whitehall has not really changed its ways of working following devolution. Nothing has changed there. The devolved administrations are brought in just as though they were other departments of Government. Most of the time, that works fine, but if there is a real disagreement, there could be serious problems—a real disagreement such as the one that is looming in Scotland, about the opt-out of the area of freedom, security and justice, which is concerned with really big issues. Everything is done informally, behind closed doors. Then, there is this problem of accountability—how Ministers are made accountable to their assemblies and parliaments, if they are proceeding by these quiet arrangements and not rocking the boats and maybe getting some influence, but we just do not know.
- [29] **Julie James:** So, what would you do to put that right? Would you be talking about some sort of legislation to go with the devolution settlements, a better memorandum of understanding for the UK Government and the devolved administrations, or some of these devolution notes?
- [30] **Professor Keating:** It does not really matter whether you put it in the memorandum of understanding, the concordats or the Joint Ministerial Committee for Europe, or whether

you put it in statute, as long as this is seen as being binding, and it is not just that the UK Government may invite the devolved administrations. I do not want to exaggerate the importance of that, because most things will still be done in informal ways, but it does enhance the status of the devolved administrations and give them a stronger position. The other thing is to do with a cultural change, just bringing out into the open that there are these disagreements, and that European policy is not necessarily a matter of consensus, so that a Minister should be able to come back to the Assembly and say, 'I didn't get everything that I wanted, and I disagreed, but we had to come to a compromise and this is the basis of the compromise'.

- Julie James: We have had a little bit of that in Wales. Our First Minister has started to talk about what he calls 'the Bridgend question', along with the West Lothian question, for Europe, about how the UK member state's vote reflects us. They had quite a public disagreement about the UK's position on the budget because we are a convergence area in Wales—or large parts of Wales are a convergence area—and therefore we had a rather different interest than the UK from the point of view of an increasing budget. That spat was quite public.
- [32] **Professor Keating:** Money fights usually are public. It is very easy to say that we wanted more money and that depends on how the distribution of the structural funds to the devolved territories works out, which is not necessarily to do with the way that the European Community produces its map.
- [33] **Simon Thomas:** In fact, it did not work out quite as—
- [34] **Professor Keating:** Well, yes, exactly—
- [35] **Julie James:** We were all rather pleased with the way that it worked out.
- Professor Keating: That has always been the case: 'we did not get enough money'. However, on a broader set of policy issues, there is still this tendency to do things behind closed doors, which has persisted even with different administrations, and even different parties in power. When Labour was in power at both levels, you heard very little about disagreements. Even now, you would expect there to be more about disagreements than there is, and I think that it would be healthy to have a lot of that out in public. One country that has its European discussions out in public is Denmark. I know that it does not have devolution in a sense, so it is not at two-tier level, but the Danish Parliament requires Ministers to report in detail about their position and get approval for their position before the Council of Ministers and after it. There are usually minority governments in Denmark, so the Government does not always get its way; it has to compromise and Parliament makes it change its position. The world has not come to an end because these disagreements are aired in public.
- [37] **Julie James:** Our Minister was quite forthright in evidence to us in public about the horse trading that goes on and how they reach an agreed speaking statement and so on. This is my own interpretation of what he what was saying, but I got the distinct impression that they valued the ability to horse trade in that way, saying, 'You support me on this and I will support you on that'. He felt, I think, that if you were doing that in public, you might be entrenched into a political position that would not necessarily be helpful.
- [38] **Professor Keating:** That is exactly what Ministers say. They say that this is a kind of diplomacy and, in diplomacy, you do not give your hand away in advance when you do deals. However, this is not diplomacy; Europe is about domestic policy making, not foreign policy making. The UK has always thought of it as a branch of foreign policy, but these are matters of domestic policy, and it is reasonable that citizens should know about this as it is happening, and not simply after the event, getting one side of it.

- [39] **David Melding:** I will ask Suzy Davies to take us on.
- [40] **Suzy Davies:** Julie mentioned that some of these discussions do take place in public. One other example of that has been the difference of opinion in the majorities in the legislatures within the UK regarding the balance of EU competences. Can you tell us a little bit about how much confidence you have had, or otherwise, in Scotland's role in those discussions at a UK level?
- [41] **Professor Keating:** I have not had very much because, once again, as I understand it, with this discussion about the balance of competences, the devolved administrations have been consulted, but if this were Germany, they would have to negotiate with the devolved administrations over matters of devolved authority, not just consult them. At the end of the day, it is the UK Government that will decide this, and probably, this side of an election, the balance between the Conservatives and the Liberal Democrats will probably be more important than the balance between Whitehall and the devolved administrations. It will be the UK Government that will take the final decision, assuming this is going to lead to some renegotiation package. In a federal spirit, that would not be the case. It would have to negotiate and agree with the devolved administrations where devolved competences were at stake.
- [42] **Suzy Davies:** There will always be certain circumstances where agreement is going to be virtually impossible, and this is possibly one of those examples. Do you feel that in those circumstances—again, I am asking you to comment on Scotland more specifically—any consultation was, very much, about words for words' sake and ticking the box, rather than genuinely trying to find some sort of common ground?

2.45 p.m.

- [43] **Professor Keating:** In Scotland, this is completely overtaken by the referendum debates, so no-one is actually talking about this.
- [44] **Suzy Davies:** That includes you as well. [*Laughter*.]
- [45] **Professor Keating:** It surprises me that the SNP is not talking more about this, or about the debate that is taking place on the opt-out of the areas of freedom, security and justice. It is probably because it has just said, 'Well, with independence, this problem will go away'. However, it would not—this problem is a real problem. One solution to this is to say, 'We will have a federal UK, and then we will have rules'. The problem with a federal UK is that you have to do something about England, and, as long as England does not want federalisation, we are not going to get it. So, we are going to get something in between, but something that will look more federal, in which areas that are clearly devolved should be treated as such in relation to European matters, so that Westminster could not unilaterally change devolved competencies through Europe, just because something is happening in relation to Europe, which at present it can.
- That is also to do with entrenching the devolution settlements. It is generally accepted now that you cannot change the powers of devolved legislatures without the consent of those legislatures, and in Wales, sometimes, a referendum as well. However, you can do that using Europe. You can just say, 'Well, we have negotiated with Europe, and this now affects devolved competence'. That seems anomalous. Again, that is not possible in Germany. If you are changing the relationship between Germany and Europe, and competencies are changing one way or another, and they affect Länder competencies, then the Bundestag has to approve. If the Bundestag does not approve, then it does not happen.

- [47] **Suzy Davies:** However, the critical point is that it does not matter how transparent the process is. If individual component parts of it are not that bothered about taking part, you are not going to get a result that genuinely reflects all opinion, are you? Is that fair?
- [48] **Professor Keating:** That is true—all this is very low key. That goes back to my other question about the Europe of the regions, and the salience of Europe, and all these debates about devolution—it is much less than it was. This issue went away again. It surprises me how many things in Scotland just pass unnoticed, partly because of the low salience of Europe. While they are having this debate in England about getting out of the European Union, it has no resonance whatever in Scotland. It is the independence debate that is dominating the debate in Scotland. These day-to-day matters about Europe, the transposition of directives and so on, tend to get lost, because the politicians are not interested in them. It is also because, sometimes, the devolved administrations are not geared up to following these things, and to picking up what are the important issues and where they should get involved. You cannot get involved in everything—you have to be selective in what you get involved in
- [49] **Suzy Davies:** May I just pick you up on that? I wish to move aside from the competencies argument, and ask, more generally, about the level of influence that regional legislatures can have. You say that some politicians are not that bothered; I just wanted to test that against your research into forging alliances, and knowing when to intervene in policy processes in Brussels, on these sorts of informal lines. How does that work? There are, presumably, some politicians who are far more engaged than others in using these informal processes. Is there not a risk—it is the same as for any lobbying—that the loudest voices tend to get the most influence, rather than the best balance?
- [50] **Professor Keating:** Yes, and it is not just the politicians who are engaged in these networks—it is very often the civil servants, committees such as this one, the European committees, and so on, the parliaments and the assemblies. A whole load of civic society bodies are integrated in Europe, to a greater or lesser extent, so that people know where to go. You have representative offices in Brussels, which are able to follow things through. Lobbying in the European Union is partly to do with who has the loudest voice, but it is also very often to do with who has the best idea, because policies in the European Union have to be originated from the European Commission, to begin with—you have to convince the Commission that you have a good idea. If you have the Commission's interest, or you are sure that you can contribute something, that immediately makes you a part of the game.
- [51] **Suzy Davies:** So that helps with credibility. Can you give us your top three countries, shall we say, which you believe are best at this? That may be a slightly unfair question. Who do you think is really good at this?
- Professor Keating: The country that is probably best at networking is Ireland. It has been extremely good. It has its own problems now, but historically, it took it very seriously when it joined. It learnt about Europe and encouraged Irish people to apply for positions in the European Commission. British applications have started to come up a little bit, but have been disastrous in recent years. It encouraged secondments from the Irish Government into Europe, and from universities, civil society and business to make sure that they knew their way around Europe. You arrive there and you know who the Irish people are to get hold of. So, Ireland was pretty effective. The Dutch always come up as a group of people who have been fairly well organised, and at the sub-state level, some of the larger German Länder, such as Baden-Württemberg and Bavaria, have very well-resourced delegations in Brussels and departments for dealing with European matters. To the other extreme, you have some of the Italian regions, or some of the southern Spanish regions that are really ineffective, because they are badly organised, they do not have the capacity to come up with policy ideas and they do not have the right connections.

- [53] **Suzy Davies:** So, it is a combination of proper resourcing and a way of promoting ideas that suggests that they are for the widest possible benefit, rather than a narrow national interest.
- Professor Keating: Yes. I will give you an example of that. When I was involved with the Committee of the Regions and the Convention on the Future of Europe, the UK Government laid a paper on the table on the day they were discussing regions, or the day before. In other words, it was just at the right time—that week, or perhaps a couple of days before, in order to give people time to read it. This paper that had been produced by the devolved administrations together with the Foreign and Commonwealth Office identified the key issues and everybody was talking about it for several days. That set the agenda. It was a very well-framed piece of work, whereas other countries and delegations produced incredibly long, legalistic, jargon-ridden papers, or they produced the paper at the wrong time. The Committee of the Regions itself had not got its act together; it had not got a sharp well-focused paper, so it adopted the British paper and said, 'That is our position', because it looked so good.
- [55] **Suzy Davies:** So, presentation is part of it as well. What about this horizon scanning idea? Presumably, the idea is to capture the imagination. It is a bit like question spotting in exams, is it not? 'I wonder whether that might be something that will catch on. Let us go for that as the issue that we will talk about'. Would that be fair?
- [56] **Professor Keating:** Yes, but as in policy making generally, Governments do not actually do this, because it is always shoved aside by the needs of the moment. I cannot think of a good example of a devolved Government that has that capacity to think in advance. It is never a priority for the politicians to think in advance. It is like all Government policy making; we should be thinking long term and engaging in preventive spending, and we should not wait for problems to arise, but that is the way that it happens in the real world. Governments that have been most effective, especially small states, have been able to do this, because they have focused on one or two issues and they have not tried to cover everything. So, they decide what the priority is and what the most important thing is for them. It might be the designation of assisted areas, which you spoke about earlier. That might be the issue, because you can see that coming—or reform of the fisheries policy, or whatever—and focus on that one thing.
- [57] **David Melding:** Simon, do you want to take us on? You could follow up on that and then perhaps the European Parliament, which we have not talked about.
- Simon Thomas: Thank you, Chair. To follow up first on Suzy's point, I was very struck by the way that you said that, really, what we are talking about here is an extension of domestic policy and that the UK, in particular, looked at this as foreign policy and treated Europe as a cut-off continent, type of thing. Then, the example that you gave of countries that have been successful, like Ireland, and the practical ways that you set out what Ireland had done, is all about treating what happens in Brussels as an extension of domestic policy and the domestic civil service—the way that you run your nation. Yet, I am also very aware, both here and from previous experience in Westminster, that European policy is rarely discussed by domestic politicians in the place where we are supposed to discuss it—here in the Assembly or in Parliament. It is only done in ideological terms, with entrenched positions; it is not done by asking about the best way possible of transposing a directive, for example. To take you a step further, are Ireland, the Netherlands and others, examples of countries that are not only successful in lobbying but in bringing back that information to make their own transpositions, as they work through legislation, more effective for their nations? Is it a two-way process like that, or is it not quite as simple?
- [59] **Professor Keating:** It does not always correspond quite like that, because the UK has

a very good record in the transposition of directives and implementation in all kinds of ways, even though it is such a Eurosceptic country, whereas Italy is a very pro-European country and has a very bad record on the transposition of directives. However, in the cases that I was talking about, those two things would go together. There has been a growth in Euroscepticism everywhere—there has certainly been growth in Ireland and the Netherlands. Nevertheless, there, and in most other European countries, Europe is seen as part of domestic politics. There is not this notion that Europe is a place where they go to have a fight and then come back to declare victory. There is much more of a notion that Europe is a place where they contribute and get some mutual benefit.

- [60] There are two other things that are, perhaps, worth mentioning on why it is important to get involved. These are outside the framework of the Council of Ministers, and, therefore, the arrangements within the Council of Ministers. One is this whole Europe 2020 project for competitiveness, which contains a whole raft of things. There is no formal mechanism for the involvement of the devolved administrations, but the devolved administrations are, nevertheless, active in producing their own counterparts or share of that. That is a process that could be very influential, so it would, perhaps, be more important to get involved in that than in some routine meetings of the Council of Ministers.
- [61] The other is the open method of co-ordination, which is the way that the European Union is dealing with many of the social issues, because they do not come under the treaties and you do not necessarily get all of the member states on side. Again, some of these are really important. I do not know what is happening in Wales, but on the social agenda, the Scottish Government has certainly been pursuing its own counterpart to this to ensure that distinct Scottish circumstances are taken into account.
- [62] **Simon Thomas:** Has the Scottish Government been able to do that in a way that is distinct from the UK line, as it were? It is not a formal treaty process, so do they have flexibility?
- [63] **Professor Keating:** Yes, exactly; there is a Scottish counterpart in the interpretation of it. Precisely because these are what we call soft measures, it is then easier to be more flexible about it. Neither Scotland nor Wales could opt into the OMC, because you have to be a state to get into that mechanism. Nevertheless, you could learn from it, shadow it and contribute to it. That is where having the right ideas is important, as I said earlier. These are exercises in thinking about the long-term shape of society, not about legislation in the short term. Again, that involves prioritising, having good intelligence and being able to formulate clear ideas to feed into the policy process. The Bologna process, which is about higher education, is very important as well, and the devolved administrations have not always been able to make the contribution that they might, given that they have quite distinct educational traditions from England.
- [64] **Simon Thomas:** That has certainly been discussed here. However, I am not sure whether the Bologna process has had any effect. We are a committee that is looking at the way that Wales influences EU decision-making. We have talked an awful lot about the institutions, the civil service, the Council of Ministers and the European Commission. However, there is that one glaring gap, which is the European Parliament. We are supposed to elect a Parliament that is, again, an extension of our domestic politics. Wales has had new powers recently to have some sort of influence over this. How does that work in the UK, as compared to the international situation, in terms of the effect of our Members of the European Parliament, the voice that they have and how that affects EU policy? Is there anything that you can see that helps to add to that process, or is it so politicised that, in effect, it does not become a useful avenue for Wales's views to be expressed, or those of Scotland—whatever the example may be?

3.00 p.m.

- [65] **Professor Keating:** I will try to put it in a comparative context. There are very few countries where the election of MEPs is territorialised. It is not in Spain, for instance, which is odd; you would expect it to be, but it is not. So, that crossing between devolution and the Parliament is something that has not really been salient. Although, I should say, when all this talk of the Europe of the regions was around and the Committee of the Regions was being established, the Parliament was very supportive of this notion, because it thought that it was on the same side against the Commission and the Council of Ministers and that it could open these things up.
- [66] **Simon Thomas:** It strengthens the democratic voice. That was the feeling at the time, was it not?
- [67] **Professor Keating:** Yes, to open it up and pluralise it. Then there was a phase where the European Parliament got a little bit suspicious about this, because it represents the citizens, not the regions. The Committee of the Regions keeps on saying, 'We are not a lobby group; we represent the citizens, because we are elected', and then the Parliament says, 'No, we are directly elected'. Then it is a question of what the turnout is. So, there is certainly a certain amount of rivalry there. It is the case that MEPs get together in Scotland where there is a common interest, but, otherwise, I would say that the regional or the devolved element in the European Parliament is very weak. The Parliament is organised first by party groups and secondly by national delegations. The regional element does not, as far as I can see, feature very much at all.
- [68] **Simon Thomas:** So, there is not a caucus of individuals or parties across the European Parliament that are interested in regional policy. Some of them may be nationalists, but some of them may be just regionalists or whatever. Do you see that working? In this parliament, for example, you would have an industrial communities caucus that would be interested in working across a range of areas because it would previous industrial history, and it would be sub-regional within Wales. There is nothing like that to be seen in the European Parliament.
- [69] **Professor Keating:** Not as far as I know. I am not up-to-date about that.
- [70] **Simon Thomas:** I am not aware, but I was just seeing—
- [71] **Professor Keating:** No, not as far as I know. The party and committee structure does not really feature that. There are certain Members of the European Parliament who are very interested in this and will sometimes take the lead in pushing that, but I would not say that that is a theme that was of any great importance within the Parliament. That is as far as I would go.
- [72] **Simon Thomas:** So, if the Commission is looking, for example, at regional policy within the EU, who would it turn to for advice or policy ideas about what works in terms of regional policy? Is it the loudest voice from the collective member states? Does it listen to what the Committee of the Regions has to say? Does it listen to a particular committee of the European Parliament? Is there any evidence of that kind of working? For example, from our perspective, we have four MEPs elected directly from Wales, but we also have a representative on the Committee of the Regions, who is a Member of this Assembly, due to a 20-year old agreement that was done at the time about representation. So, there are strands there, but it is difficult to see how they have a role in the decision making.
- [73] **Professor Keating:** In regional policy, the Commission relies heavily on the research that it does. It has a research budget and a lot of academic advice goes into that. Much of it is

very technical and it is to do with expertise. Then the member states come in, because it is distributed and it is about who gets what. So, there is a lot of haggling about who gets what. Then, that comes back to the Commission, which consults the experts. The Committee of the Regions is consulted. It had some input into the last revision of the cohesion policy for the upcoming funding round that is starting just now. Of course, it then becomes part of the budget that has to go through the European Parliament, and the regional bit is the second largest part of the budget. So, it is a very substantial part of the budget.

- [74] **Simon Thomas:** I take it that the CAP is the biggest bit.
- Professor Keating: Yes, it is still the biggest; it was not supposed to be, but it still is. The European Parliament has certainly been supportive of spending on cohesion policy, whereas some Member states have been in favour of cutting it back—notably the British and the Germans. However, the European Parliament has been very supportive of that. Who is driving it? It could be a balance of the technical considerations of the Commission, which is trying to get a policy that applies in a coherent way across the whole of Europe, and of the preoccupations—they want to reduce spending, while others want to get a greater share of it. What you get out of that is the result of the political bargaining.
- Simon Thomas: I have a final question, if I may. I am just struck that, with all this, so much is informal, so much is bureaucratic, so much is hidden and so much is based on expert influence, which is great, but does not seem to be tempered, in any way, by a democratic accountability. One way of interpreting that within the UK context is to say, 'The history of that for the last 20 to 25 years is one reason why we still have such strong Euroscepticism here in the UK'. You mentioned Scotland, but I have to say that the most recent polls in Wales show that Euroscepticism is on the rise in Wales, which we have not seen in recent political history. Although I have heard of similar stories of it happening in places like the Netherlands and Italy, but, on the whole, Euroscepticism does not seem to be a strong feature of other EU member states' domestic policies. So, is it just a feature of our inability to sort out our democratic situation post-devolution, exacerbated by our relationship with the EU? Is it just a feature of the UK psyche and history—I do not have to go right back, but the whole empire or whatever we started off with as a member state? Is it something fundamental within the way that the institutions relate to democratic accountability, or is it a combination of everything?
- [77] **David Melding:** We like to finish with an easy question. [*Laughter*.]
- [78] **Professor Keating:** I will link that—
- [79] **Simon Thomas:** I have been struggling for an answer for 20 years; I might get one now.
- [80] **Professor Keating:** I will link that to your last question, because there is another example that occurred to me. At the time of the last review of cohesion policy that led into the budget that is coming in now, the European Commission office in Scotland organised a series of meetings, and I was invited to address one in Edinburgh and one in Inverness. They identified all the key stakeholders, including businesspeople, trade unionists and local government people, and we had a really good discussion about the fundamental elements. The feedback that we got from the European Commission was that that was one of the most successful sessions that they had in the various regions across Europe, because it was well organised and we were able to focus on the key issues. So, that is an example of engaging the stakeholders and not just being intergovernmental, but of having the right ideas. Those ideas, by coincidence, were probably more favourable than otherwise for Scotland, but they were ideas for the whole of Europe and not just for Scotland.

- [81] On the big question about Euroscepticism, people in the UK do talk about Europe in a way that nobody else in Europe does. It really is quite unique, and that is getting to be more the case rather than less the case. The longer the UK is in the EU, the less happy that people seem to feel about it. There is a certain difference in different parts of the UK. Certainly, in Scotland, there is not this visceral Euroscepticism. I tend to explain that by saying that, in Scotland, we have always lived with multilevel governments. We have always lived in unions; there has never been a time when you controlled all your own affairs. Everything is negotiated; there is a political culture that is used to that. However, nevertheless, Euroscepticism in Scotland is pretty high compared with most parts of Europe. We flatter ourselves that we are pro-European, but it is a myth. There is a lot of Euroscepticism there.
- [82] It is all the more surprising since, by and large, when the UK wants to get involved in European affairs, it tends to play a rather constructive role and it tends to do pretty well, because the civil servants are pretty good and the representatives whom we have in Brussels are pretty good, compared with those of other countries. So, it has the ability to play a role and be quite influential. However, I have sat there in Brussels and seen British Ministers and civil servants playing a very constructive role, but they get off the plane in Heathrow and say 'We beat them again. We've destroyed and defeated this terrible conspiracy'. Why did they say that? Why did they not say, 'We achieved something positive'? It is because they are playing to what they see as a Eurosceptic audience, and the way that the party dynamics are worked out now—we all know what the problem there is. There is this tendency to play against Europe the whole time.
- [83] I do not find that in other European countries except among some extreme parties—the French national front and the Italian Lega Nord, for whom Europe is the enemy—but the mainstream parties tend to say, 'Well, we do not like that policy, but that is not a reason for being against Europe; that is just like not liking domestic policies—let us change that policy'. I am very concerned about this rising Euroscepticism in the United Kingdom because it does not seem to be related to any rational kind of reason. It is a form of almost visceral nationalism: if it comes from Europe, then it must be bad. That makes it very difficult to have a positive input into Europe, and therefore we do not have a positive input, and therefore we are the people who always get blamed.
- [84] **Simon Thomas:** It gets to be a vicious cycle.
- [85] **Professor Keating:** Exactly. It gets to be a vicious circle and we lose influence.
- [86] **David Melding:** Thank you very much. May I just clarify one point about the election of MEPs? The UK is at least unusual, and maybe unique, in having territorial elections, and presumably other states just have a single state list, do they?
- [87] **Professor Keating:** I would have to check up on this. In Germany, there is territorial representation, and, in Spain, it is a single list. In Italy, they have regional constituencies, if I remember rightly, but they do not correspond to the regions; it is an odd thing. Of course, in England they do not correspond to anything meaningful either; it is just an arbitrary—
- [88] **Simon Thomas:** And Gibraltar.
- [89] **Professor Keating:** And Gibraltar. However, in the devolved territories in the United Kingdom, clearly there is a link between the political entity and the European constituency.
- [90] **David Melding:** We have had a very full discussion, but if there is any evidence that you want to bring before us that we have not yet touched on, then now is your opportunity to alert us to something.

- Professor Keating: I would just reiterate that sometimes there is an excessive focus on mechanisms and legalistic things when what really counts is political influence. You have not asked about subsidiarity, which is interesting, because there was a big debate about this—the subsidiarity mechanism and the early warning system—and it turned out to be probably not terribly important. Maybe there are things that subsidiaries want, but an inordinate amount of effort was put into getting a mechanism involving national parliaments and the Committee of the Regions for something that is pretty technical and probably not important, whereas these policy things that I was talking about are the critical ones. That involves having some legal right of representation, but also being able to formulate good policy ideas and get them into the process in the right time and in the right place.
- [92] **David Melding:** Professor Keating, I know I speak for everyone in saying that we have found this session particularly productive, indeed quite fascinating. You have surpassed your written evidence, which whetted our appetite. I think we have heard someone who has thought very seriously about these issues. You have been a great help to our inquiry, and, again, I repeat our thanks to you for coming all the way to Cardiff from Aberdeen. I suspect we could not quite have had that interaction via the video link and its satellite pause or gap. I wish you a very safe journey back.
- [93] **Professor Keating:** Thank you. This is the first time I have been in this building, so I really had to come.

3.14 p.m.

Tystiolaeth mewn perthynas â'r Ymchwiliad i Rôl Cymru ym Mhroses Benderfynu'r UE

Evidence in relation to the Inquiry into Wales's Role in the EU Decision-making Process

- [94] **David Melding:** As Professor Keating leaves, I invite David Hughes to take a place at the table. We will continue our evidence session in relation to our inquiry into Wales's role in EU decision making. I am delighted to welcome David Hughes, head of the European Commission office in Wales, who is well known to us all, I think. We are particularly pleased to see David this afternoon. I know that you have taken great interest already in this inquiry, and, indeed, in the work that the Assembly has done in the past in terms of European matters. I will ask Julie James to start our questioning.
- [95] **Julie James:** I have a nice say-all-you-know question to start off with: could you just outline the role of the EC office in Wales and expand a little on some of things that you have put in the written paper for us?
- [96] **Mr Hughes:** Thank you very much, diolch yn fawr, and thank you to the committee for the opportunity to come here this afternoon. I think that this is an extremely important inquiry that you are doing here—well, I would, would I not? It is also very timely. I think Professor Keating mentioned the opinion poll that was reported in the *Western Mail* over the weekend. That was very interesting. So, thank you very much indeed.

3.15 p.m.

[97] On the role of the office here, there has been an office in Wales since 1976. It started off as a European Commission information office. Its major task then, unsurprisingly, was to inform the wider public and stakeholders, as it were—civic society—as to what the European Economic Community was and what it was doing. I suppose that all of you will know that,

between 1980 and 1987, the head of that office was a Mr Rhodri Morgan, so I have an illustrious predecessor.

- [98] The role of the office has evolved over time quite considerably—partly as a result of the evolution of the European Union itself, but also as a result of developments in Wales and, in particular, obviously, devolution. The office now has a role that goes, I would say, both wider and deeper than that of a simple information office, although that role remains. I would say that, broadly, my office has three tasks.
- [99] It may be interesting, en passant, to note that the European Commission has a representation in the capital of all 28 member states, but it also has nine regional offices, of which the one in Cardiff is one. It is also interesting to note that three out of the nine regional offices across the EU are based in the UK. There is an office in Belfast, Edinburgh and Cardiff. So, the UK has a richness of regional offices compared with other member states. You have two in Germany, one in France, one in Italy, one in Poland, and one in Spain, in Barcelona, of course. However, the UK has three out of the nine regional offices. That is related, I think—although the basis is not entirely clear—to the devolved nature of the administrations in those three cities.
- [100] The first role of my office is a kind of a political diplomatic representation role. According to the Treaty of Lisbon, it is the Commission that is tasked with representing the EU externally. So, I am sitting here, formally speaking, representing the European Union, even though I am an employee of the European Commission. The European Parliament also has information offices in all 28 capitals and it has some regional offices, too—in the UK, it has one in Edinburgh—but the role of those offices is restricted to representing that institution itself, so, just the European Parliament.
- [101] What I try to do in the first of those three tasks is to explain and to further the actions and the policies of the European Union, in particular towards the Welsh Government, towards this National Assembly, but also to local government as well. However, the bulk of my work in that respect is indeed with the Welsh Government and with the Assembly. Of course, I cannot come along to committees and be an expert on the new fishing policy and the new fishing fund and then, the week after, explain Horizon 2020 to you all. Mine is a much more general role, and I understand that the Assembly is very effective in terms of getting expert evidence from my colleagues in Brussels via video-conference and so on. However, I do try to provide that general background knowledge, and, wherever possible—we put a lot of energy and time into this—we try to facilitate meetings and good contact between the Assembly and the Welsh Government on the one hand and my colleagues in Brussels on the other. I work extremely well, for example, with Gregg Jones. We have an excellent relationship. I help Gregg in facilitating meetings in Brussels and he assists me here, so that is a very productive relationship. The same is true of the Welsh Government office in Brussels, by the way.
- [102] I also have a task of reporting back to my hierarchy in Brussels on what is going on in Wales politically and also in the media. For example, when the Assembly adopted its resolution back in January, I think, on the Chamber recognising the benefits of membership of the EU, there was a late night e-mail that went off to Brussels on that particular event. So, I also do that kind of thing. I try to keep the hierarchy in Brussels aware of what is going on, and not only aware of it—I try to help them to understand the significance of the events here.
- [103] **Mr Hughes:** The second role that I have is that I am the official spokesperson of the European Commission here in Wales. It is my job to carry out interviews with the media, to respond to questions from journalists, and so on, and also to try to brief journalists, to try to give them background on the European Union and the various policies that are important at the moment. I will give you a couple of examples. It will be of no surprise to you at all that

one of the media's favourite topics is, 'So, what about the structural funds, then? Why haven't they worked over the past 14 years, and so on, and why hasn't the 75% threshold been crossed? Is the Welsh Government managing these funds correctly?' Questions of that kind come to me frequently. Also, if there are infringements going on in Wales, the media may turn to me. I am not involved in either the legal or the negotiation processes for infringement processes, or for programmes, but I do have to make the public statements whenever they are necessary. Also, as I said, we monitor the goings-on in the media.

The third strand of work that we have here is related to the original task of being an information office, whereby we try—as Professor Keating said, there is a bit of a headwind at the moment—to inform the public, and, in particular, stakeholders, about the European Union, its policies and the benefits of membership, as it were. We do that in a range of ways. For example, we are always present at the three eisteddfodau in Wales with an information stand, together with the British Council. We publish significant—or, rather, I would say, important-brochures and booklets in Welsh. We also do a lot of work going out to conferences for teachers, educators and so on, and I do a few lectures in universities. What we do have in Wales, however—and it is important to point this out—are four Europe Direct information centres. One is in Cardiff—a new one—there is one in Carmarthen, one in Llangollen, and one in Wrexham. We fund these-it is peanuts, I have to say; it is a maximum of €20,000 a year, and that is co-funding. The role of these four information centres is precisely to try to be a source of information to members of the public who have questions about the European Union, and also to stakeholder organisations. We do quite a lot of work through those four centres with schools, for example. With regard to the international primary curriculum in Wales, teachers very often call on us and ask whether we have any materials that they could use to help them in the classroom. Staff in the information centres are sometimes called on by schools to go out to give a little seminar for an hour to the children on how the European Union works and what it is.

[105] Those are, essentially, the three main roles of the office here in Cardiff. Altogether, we have a staff of four and a half, including me, and I am the only EU official in the office. That was a little bit dry and factual, but I hope that I summed it up.

[106] **Julie James:** No, that was very helpful indeed. Thank you. One of the things that comes across loud and clear in the paper that you have given us, however, is that you are experiencing a certain level of frustration with information exchange, or keeping track of what is going on—I cannot quite put my finger on it. You can hear the frustration in a couple of what you have called challenges and recommendations—in that paragraph. You are saying that, basically, because there is no longer a European committee, you are having—. Well, I am not quite sure what you are saying. Would you like to elaborate?

[107] **Mr Hughes:** Thank you, yes. I arrived here about a year ago—so, after the European committee was abolished. I have discussed this with my predecessor and various other colleagues who were involved, and I would not say at all that this is the source of any perceived frustration in my paper. I think that, for any EU official, particularly those working in the UK at the moment, it might be hard to write a paper that does not evince some frustration. However, that is for very different reasons.

[108] Maybe this answers your question a little bit, in that I have to say that all colleagues who come to Wales from the Commission, and from London, are positively impressed by the openness and willingness to engage that they encounter here, which is in contrast to certain other polities, if I can put it like that. So, it is not so much that.

[109] Professor Keating closed his remarks—and I found this very interesting—by saying something along the lines that he thinks that there has been perhaps an overemphasis on legalistic and technical issues and not enough of an emphasis on policies, politics and so on. I

have not encountered, at least at the political level, anything that frustrates me, but I have been thinking about the very questions that Professor Keating closed on, which is the level of Euroscepticism, and so on. It seems to me that, if the Welsh Government or the Assembly wished to enhance, improve and increase its effectiveness in EU decision making, as it were, in terms of influence, then it is not so much a technical or mechanical problem of where it can intervene and whether more emphasis should be put on the Committee of the Regions, and so on. As Professor Keating said, a lot of the influencing and lobbying that goes on is informal. Having been on the receiving end of it for 18 years in Brussels, I would agree with his conclusion that the key to effective lobbying is understanding what you are doing and being well-organised. That is true for Governments, for sub-regional Governments, organisations and private companies, too. There is the famous story that, for every official in Brussels, there is one lobbyist. So, officials are subjected to intensive lobbying, but the stuff that really works is the stuff that is informed and, to be frank, the stuff that makes the lives of the officials easier, rather than simply a sort of banging-on-the-table approach.

[110] So, my feeling is that perhaps one of the most effective things that could be done—and there my office could perhaps play a role—would be to engage with us a little bit in helping officials, both in the Government and the Assembly, to enhance their knowledge of the European Union. I think I mentioned in the paper that we did something recently on which we had extremely positive feedback. We organised a visit for 15 officials from the Welsh Government whose daily task is to implement EU legislation—they went over to Brussels for a day and a half. When they came back, they said that they understood much better what their jobs were and what was going on in Brussels. That is something that we could do—although our budget is limited, obviously—with, for example, political support staff. My impression is that there is very little that four and a half people can do from an office based in Cardiff bay to change that headwind and to counter that, but I think that we can do a lot if we co-operate with the Government and the Assembly, and also with stakeholders, in terms of raising that level of understanding and awareness. That is the key challenge. So, it is a wider frustration that is not connected to the abolition of the Europe committee here.

[111] **Julie James:** Thank you for that. One of the issues that we have seen with the rise of Euroscepticism is the amount of media coverage that is disinformation at best and positively scandalous at worst. However, one of the issues is that we are not very good as a nation, I think, at explaining to our stakeholders and to our citizens the role of Wales in the EU and EU influence in Wales. It is my own very personal view that I am expressing here. Although I have been involved in European matters for years and years, I have only very recently been to Brussels. I was very struck by how much better I understood it once I had been there, for all of the things that I had read about it for years. So, I wonder whether there is a role for exchanges for schools, and so on, because I think most people in Wales have no clue at all about how Brussels functions. It is quite a complex structure: if you are talking to a person on the street, they will not really understand the difference between the Commission and the Parliament and the Council of Ministers, and so on. What do you think of that?

[112] **Mr Hughes:** Obviously, what is taught in schools is crucial. It is a really big challenge. In a sense, what you think about the European Union and your views on it say more about you than it does about the European Union. Again, taking up what Professor Keating was saying, Euroscepticism is on the rise across Europe. It is unsurprising, given the financial crisis, and so on, and everything that has happened since 2008. However, there is no other country that is seriously contemplating leaving the EU. That is only happening here. That is only really understandable in terms of British history and background, as it were.

3.30 p.m.

[113] This is a decision for the British people, obviously, However, if that decision on the future relationship with the EU is to be an informed one, then everybody concerned needs to

play a role in it and address that question and debate it. It will not come as a surprise to you that, if I were to say something positive about the EU, it could be counterproductive, because it is the European Commission saying it. It really needs—if I may say so—wider debate and buy-in. It is a risky debate now, I accept that. However, it needs a wider awareness and a wider buy-in from a whole range of stakeholders, including business and so on, so that this decision is clarified.

- [114] I think that you are right when you single out schools. There are a lot of schools that would be interested in participating in exchanges and partnerships with other European schools, but I have to say that the level of awareness is quite low. I will give you one example. There is something called the youth in action programme, which is essentially an exchange programme for youth workers and youths to do some voluntary service, not just within the EU but outside it as well. I think that I am right in saying that the UK is the only member state that has not been able to spend its budget, which is extraordinary in this day and age. I went to a conference in Wrexham with about 60 youth workers and they were saying to me, 'Well, it is because the forms are so complicated and because the procedures are so bureaucratic'. If that is really true, why is it that in Italy or in other member states, there is huge over-demand for the same money using the same procedures? For me, it is much more a mindset issue. It is much more of a perception issue.
- [115] **Julie James:** I have a final question, if the Chair will indulge me. If I could say, 'You have a magic wand and you can make the Assembly do one thing to enhance its role in Europe', what would you say we should do?
- [116] **Mr Hughes:** I do not think that it would be re-establishing the Committee on European and External Affairs. I do not think that that would have the desired effect. My very honest answer to you would be for Assembly Members to debate this issue more publicly and challenge some of the received ideas. As you said yourself, what takes place in the press is really quite extraordinary. It is quite extraordinary. I often have to watch the news in German, which is my second language, in order to get a more balanced point of view, to be very frank with you. It is very interesting to compare the German newspapers and television news with the British ones. Since I came back here a year ago, I do not think that I have seen a news item on the BBC about something that has happened in the European Parliament, but it features regularly on the main German evening news. There is a consciousness that what is going on actually affects us. That is the difference.
- [117] **Simon Thomas:** I have a supplementary question on this. I have to ask you this, because I think that it is the elephant in the room, in a sense. The Commission has been in place since 1976, and you have talked about information officers. However, your evidence to us says that there is an underlying lack of awareness and understanding of the nature and purposes of the EU. There is a political culture here, which we all wrestle with, and I am sure that there are things we could be doing as Assembly Members, but do you think that the Commission has been successful in explaining to the people of Wales how their thoughts are taken through the Commission and through the European decision-making processes? Has the Commission been clear enough in its own remit, over the years, in trying to be factual and straightforward with people about those things? Are things changing?
- [118] **Mr Hughes:** I will say one thing in my defence, and in the Commission's defence, first. Our communication tools are extremely limited; first of all, in terms of their size, and also in terms of what we are allowed to say. I am an official, following a line from Brussels. I have to be quite careful about sticking to what is the approved line, as it were, rather than getting too far into the politics. That said, I think—and this is a view—that there are frantic discussions going on in Brussels among colleagues as to why we are not connecting. I think that part of that has been due, in the past, to a rather wooden, clumsy communication style—a very bureaucratic—the French say *langue de bois*, wooden tongue—communication style. I

think that the Commission has not been—

- [119] **Simon Thomas:** A bit like Committee of the Regions reports. [Laughter.]
- [120] **Mr Hughes:** I would not like to comment on that, but it is not an accessible communication style. I think that that is true. We are trying to change that, and trying to broaden out into things like social media and so on. There is a nut that I find hard to crack: I was looking at the *Western Mail*'s opinion poll, and, if you look at the details, you will see that it is extremely interesting, because it is broken down by social classes, for example. It is broken down by whether you speak English or Welsh. If you look at social classes A and B, you will see that 48% are in favour of staying in the EU and 30% only are in favour of leaving. It is among the lower three social classes that the big majority for leaving is to be found. Bizarrely, and counter-intuitively, this is in the most disadvantaged areas of Wales, which have received the highest levels of EU funding. I cannot explain it yet, but I am wondering whether the problem is that the message is not getting through. It is not just us transmitting the message, but the Welsh Government and WEFO are also always transmitting it. Is that message simply not reaching the people, or is it an ineffective message? My worry is that the message may not be reaching those people because the channels that we use are not used by them.
- [121] **Simon Thomas:** To give an example, every project funded by the EU in Wales must have a plaque, a flag and all the rest of it. That is seen as an imposition by people. It does not meet them halfway. They do not see it as something that reaches out; they see it as something that 'tells' people. Are you too preachy?
- [122] **Mr Hughes:** That is an interesting remark. Indeed, that may be one of the problems. As I say, we are looking at this and we are trying to work out how we can communicate more effectively.
- [123] **David Melding:** Our inquiry is based on what I personally hope is not the outrageous hypothesis that we remain in the EU, and we want Wales to have an effective voice. We will now turn to that side of things more sharply. Suzy Davies will lead the next set of questions.
- [124] **Suzy Davies:** I am just wondering whether I could turn Simon's question on its head. Could you tell us what the perceptions of the Welsh voice are in the EU Commission? What does the Commission think of how we perform? I am thinking of the voice rather than the money that is being spent.
- [125] **Mr Hughes:** As a voice?
- [126] **Suzy Davies:** Yes. How visible are we, particularly compared to the other devolved legislatures?
- [127] **Mr Hughes:** It is a very crowded landscape in Brussels. You have over 250 regional offices, for example, on top of all the member state representations and the private lobbyists. Perhaps it is slightly difficult for me to give an objective judgment on this, because, as a Welshman in Brussels, I obviously paid more attention to what the Welsh Government office was doing than others. However, I found the Welsh Government office to be quite effective, actually. The difficulty, of course, is that the United Kingdom is represented by the UK representation and there are no formal links between the Welsh Government and the European Commission—there cannot be. As Professor Keating explained, the arrangement in the UK—and it is not for me to comment on this—is that the Welsh Government, the Scottish Government and the Northern Ireland Government discuss with the UK Government, adopt a line, and that is it.

- [128] **Suzy Davies:** I am sorry to interrupt, but that is the formal way, of course. We heard evidence from the Minister last week that there are also informal links.
- [129] Mr Hughes: Yes.
- [130] **Suzy Davies:** So, are they operating effectively, in your book?
- [131] **Mr Hughes:** I would say 'yes'. Certainly, when I speak to my colleagues in DG Regio—the regional funding department—in DG Agriculture and Rural Development and DG Employment, Social Affairs and Inclusion, they are highly complimentary about colleagues here in Wales, and they see Wales as a fairly effective outfit. My short answer to your question is 'yes'.
- [132] **Suzy Davies:** That was very encouraging for us all to hear, I think. In those off-the-record conversations, have you heard any ideas put forward about how it could be improved? I am asking this very positively; could it do more?
- [133] **Mr Hughes:** Do you mean the Welsh Government office in Brussels?
- [134] **Suzy Davies:** Yes. I ask that, as I say, in a very positive way, but it is doing so well already, maybe it cannot.
- [135] **Mr Hughes:** To be very frank with you, I have not yet come across anything that has illustrated to me an area where the Welsh Government office could improve. Of course, I am sitting a long way away from it now, but my impression has always been of a pretty well-organised outfit, working with rather limited resources. It has the great advantage—and it is a great advantage—of being located within UKRep formally, and UKRep certainly used to be one of the most effective, if not the most effective, representation in Brussels in terms of sourcing information. So, it is a huge advantage for the Welsh Government office to have access to that kind of information. Very often, it is much better informed about things than I am, to be frank.
- [136] So, other than increasing its resources, I have to say to you, in all honesty, that nothing occurs to me particularly when you ask me how it could improve within the current formal set-up. It operates very well.
- [137] **Suzy Davies:** May I ask about the relationship with your office? You obviously have the EU strategy, which was announced last year. What level of input were you able to give to that? Were your office's views actively sought on that?
- [138] **Mr Hughes:** They were, but it was before I arrived, so I cannot measure the level of input to it. I do not know to what degree it was taken on board. What I would say is that, from the Commission's point of view, we are very happy with the degree of coherence between the Welsh Government strategy and our own strategy. There is a very strong emphasis on jobs and growth, and that is exactly in line with what the Commission is trying to do. Also, with regard to other aspects, such as addressing climate change, innovation and so on, it is pretty coherent with the Europe 2020 strategy.
- [139] **Suzy Davies:** I am guessing from what you have said, as it is similar in so many respects to your own, that you would consider it an effective strategy, although it has some time to play out yet; I appreciate that as well. Going back to what you were saying earlier about this country—and I mean the UK by that—and our impression of what is going on in Europe, which is that it is all eurozone crisis and financial problems, does that mean that the type of things that Wales would be interested in talking about or trying to influence the Commission on are being drowned out by these huge macro problems? They do affect us, of

course, but they are not directly affecting us, because we are not part of the eurozone?

- [140] **Mr Hughes:** Yes, to a degree. It is clear that the major concern of the European Commission and the majority of member states is to get the eurozone functioning properly again, and a lot of steps have been taken in that direction. From that point of view, whatever the Welsh Government may have a particular interest in may often—you are right—not be seen as such a huge priority compared with the overwhelming priority of sorting out the eurozone. To be very frank, I think that that is exacerbated by the current position of the UK, which, viewed from a distance, seems to be having a crisis about whether it should be in the EU at all. There is another block of member states trying to sort out a very different problem. So, in that context, indeed, there may be certain issues that are hard to draw attention to. That is just an inevitable fact of politics, really.
- [141] **Suzy Davies:** I appreciate what you said, that there is perhaps a unique perspective in the UK. However, are other countries that are not members of the eurozone perhaps also feeling slightly pushed to one side because of this overwhelming desire—understandably—to sort out the eurozone's problems?

3.45 p.m.

- [142] **Mr Hughes:** Sweden might be a case in point. However, even the Netherlands, which is undergoing its own form of Euroscepticism at the moment, is a member of the eurozone.
- [143] **Suzy Davies:** But those are member states, and I am thinking more regionally. I have an impression that the regional voice might be dwindling during this particular period in the EU's history, because of the eurozone problem.
- [144] **Mr Hughes:** To be honest, I think that that was already happening, in institutional terms, for the reasons that Professor Keating outlined. Since 1992, and the formation of the Committee of the Regions, the European Parliament's powers have increased very significantly. I would not say that, if there is a loss of influence of the regions, it is due to the financial crisis; I believe that it is due to wider and broader developments since then.
- [145] **Suzy Davies:** That is lovely, thank you very much.
- [146] **David Melding:** Aled Roberts will now take us through the next set of questions.
- [147] **Aled Roberts:** In your opening remarks, you said that part of your office's role was to facilitate contact between the Welsh Government, the National Assembly for Wales and the European Commission. What is your take on how effective the Assembly and the Welsh Government have been in influencing Commission policy, or European legislation?
- [148] **Mr Hughes:** That is a very hard thing to quantify. My impression is that the Welsh Government and the Assembly are pretty good at getting access to key figures in the Commission and in the European Parliament for Members of the Assembly and members of the Welsh Government. In that sense, I think that it is pretty effective. That is perhaps where the greatest influence can be had in terms of influencing legislation, because it is the Commission that develops the legislation, and the Commission has a unique right of initiative. One of the classic things that you learn in all lobbying classes in Brussels is that, if you want to influence things, you have to get in there at the beginning. By the time the Commission has adopted the proposal and it is on the table, you are dealing with something that already has a momentum of its own, whereas, if you can discuss with officials beforehand, you can input in the formation stage, which is more effective. Obviously, during the adoption phase, the European Parliament is extremely important, because the European Parliament has the power to amend legislative proposals, the same as member states. However, the key moment, in

terms of influence, is to get in at an early stage, with an informed argument, which means that you have to know what you are talking about and who to talk to. I would say that the Welsh Government office, and Gregg Jones too, are pretty good at that, particularly compared with, for example, some other parts of Europe, which are less well organised and less au fait with the techniques of lobbying.

- [149] **Aled Roberts:** Professor Keating mentioned that there is also quite a lot of academic input as far as policy formation was concerned. Is there any impact as far as Welsh influence is concerned on that area?
- [150] **Mr Hughes:** I know that there are Welsh academics who are involved in quite a few consultation groups, although I cannot name them all off the top of my head—Adrian Healy, for example, is a name that comes to mind. However, there are Welsh academics involved in policy formation groups and in expert groups.
- [151] **Aled Roberts:** I wish to move on to the Committee of the Regions. I am sure that you heard Professor Keating's evidence. Could you outline what your interaction is with the Committee of the Regions, and what your assessment is of how effective that institution is?
- [152] **Mr Hughes:** My interaction with the Committee of the Regions here is interaction with its members; I do not have any formal interaction with the body itself. That takes place in Brussels. So, previously, I met Christine Chapman once or twice, and I intend to meet Mick Antoniw as soon as I can. So, that is my interaction.
- [153] I am sorry; the second part of your question was on how effective that body is.
- [154] **Aled Roberts:** Yes. I do not know whether you heard Professor Keating's analysis of the more recent situation and the fact that it seems to be overly concerned with the nature of the documents that it produces, rather than having the impact on policy that perhaps would be more effective.
- [155] Mr Hughes: It is a fact that the opinions of the Committee of the Regions, as with the European Economic and Social Committee, have no legal power over the proposal, as it were. They are opinion-only committees, and the Commission is obliged to take account of that opinion. However, neither the Commission nor the Parliament—nor the Council—can be blocked by either of those two committees. So, they are both advisory committees. That means that the influence that they have depends very much on the quality of the individual opinion that is adopted. Once again, I remember from my own experience that those committee members who were really effective in having an influence on the Commission were those who actually came before the opinion was adopted by the committee, discussed with officials, and pointed things out to officials, saying, 'There are one or two problems with what you are proposing here, and this is why, so maybe this is a better idea'. That was much more effective than simply adopting an opinion in the Committee of the Regions and sending it to the Commission through the usual channels. So, once again, it is all about knowing how the machinery works and about being informed.
- [156] **Aled Roberts:** Finally, as far as my questions are concerned, how regular is your interaction with the four Members of the European Parliament from Wales, and what is the nature of that contact?
- [157] **Mr Hughes:** That contact usually takes place in the context of something like organising a conference where we would like one of the MEPs to speak. For example, last year, we did something on the single market at which the First Minister spoke, and Kay Swinburne came and spoke at that. However, there have been other conferences where we have been very pleased when MEPs have come to speak. I would say that it is a positive and

productive relationship, and it has an informal side to it. One or two of the MEPs might actually pop into the office to discuss a particular issue. So, it also has that informal side to it. I am also in touch with their assistants. There is one MEP with whom I have not had any contact yet, but—

- [158] **Aled Roberts:** I will not press you.
- [159] **Mr Hughes:** I am not sure whether that is my fault or his, but I would say that the relationship with Welsh MEPs could be summed up as mutually supportive.
- [160] Although I have no formal role in representing the European Parliament in Wales, it will be part of my task next year to try to raise awareness of the European Parliament elections and to try to increase the turnout, for example. So, we will be co-operating—hopefully—very closely then.
- [161] **David Melding:** In relation to the Welsh Government's relationship with the Commission, we know that it is not direct in the way that the UK Government's relationship is, but would the Commission like to see more secondments, for instance, from the Welsh Government? Is there a route that we are not taking full advantage of, because people could gain valuable experience in terms of how to project Welsh interests, and even down to how to complete project proposals more effectively from actually being in the machinery of the bureaucracy, Government or whatever we call the Commission function?
- [162] **Mr Hughes:** Certainly, once again, speaking from personal experience, there is no substitute for actually spending a spell out in Brussels if you want to understand how the EU functions. It is absolutely essential.
- [163] **David Melding:** It is not a myth that we have great problems getting people to take positions there, even if it is just on secondment.
- [164] **Mr Hughes:** I am not sure whether it is a problem for the Welsh Government to get officials there on secondment. I am not sure about that. I know that the Welsh Government has a scheme. I was not aware that there was a lack of candidates. I think that it is the opposite, actually. It seems to me that the Welsh Government is quite keen to send its officials over there. Where we do have a problem is in terms of recruiting full-time officials; so, it is not in the case of secondments, but full-time officials. You are probably all aware of the UK civil service fast-stream scheme, which is, ostensibly, to identify and train the bright and the high-fliers of the future, as it were. Within that, there is a European fast stream, of which I was a part a long time ago. My understanding is that that has been downplayed and is less well resourced, and it was even almost abolished once. So, the wind has gone out of the sails of the efforts to try to get British officials permanently into the EU institutions. That is my impression, definitely. British officials are significantly under-represented in the institutions.
- [165] **David Melding:** I will ask Simon to ask the last couple of questions.
- [166] **Simon Thomas:** Gwnaf ofyn fy nghwestiynau yn Gymraeg. Rwy'n eich cofio chi yn sôn ar ddechrau eich tystiolaeth y prynhawn yma am y ffaith ei bod yn anarferol ym Mhrydain fod gan y Comisiwn y swyddfeydd rhanbarthol hyn—er enghraifft, gwnaethoch sôn am Barcelona, ond nid oedd sôn am Bilbao neu Guernica neu ba le bynnag. Felly, mae'n amlwg bod

Simon Thomas: I will ask my questions in Welsh. I recall you mentioning at the beginning of your evidence this afternoon the fact that it is unusual in Britain that the Commission has these regional offices—for example, you mentioned Barcelona, but there was no mention of Bilbao or Guernica, or anywhere else. So, clearly, there is something happening in the UK that is not happening in

rhywbeth yn digwydd yn y Deyrnas Gyfunol nad yw'n digwydd mewn aelod wladwriaethau eraill. A allwch esbonio sut mae'n gweithio rhyngoch chi, Caeredin, Llundain a Gogledd Iwerddon, ond Llundain yn benodol? Byddai dyn yn tybio—efallai fy mod yn gwbl anghywir—taw Llundain sy'n dal yn gyfrifol am bopeth, ond eich bod chi yma i wneud gwaith sydd wedi'i ddatganoli o'r swyddfa yn Llundain. Ai dyna'r sefyllfa, neu a oes gennych chi fwy o scope a rhyddid i fod yn rhydd yn eich gwaith yma yng Nghymru?

other member states. Could you explain how it works between yourselves, Edinburgh, London and Northern Ireland, but particularly London? One would expect—I may be entirely wrong—that London would still remain responsible for most things, but that you are here to do the work that is devolved from the London office. Is that how it is, or do you have greater scope and freedom to be free in the work that you do in Wales?

[167] **Mr Hughes:** Diolch yn fawr. Rwy'n dysgu Cymraeg, ond nid wyf yn siarad Cymraeg—dim eto.

Mr Hughes: Thank you. I am learning Welsh, but I do not speak Welsh yet.

[168] **Simon Thomas:** Dim eto.

Simon Thomas: Not yet.

[169] **Mr Hughes:** Dim eto.

Mr Hughes: Not yet.

[170] **Simon Thomas:** Bûm i'n dysgu Almaeneg am 20 mlynedd, ac nid wyf yn siarad Almaeneg. [*Chwerthin.*]

Simon Thomas: I was learning German for 20 years, and I still do not speak German. [*Laughter*.]

[171] **Mr Hughes:** That sums it up pretty accurately. London is the head office of the European Commission here in the UK. Essentially, it operates as a single operation. That said, in terms of implementing what I am supposed to do here in Wales, thankfully, I have a good degree of freedom, certainly in terms of prioritising and developing the messages that I am supposed to roll out.

[172] **Simon Thomas:** A oes gwahaniaeth rhwng y ffordd rydych chi'n gallu gweithio yma yng Nghymru a'r ffordd mae eich cynghreiriaid yn gweithio yn yr Alban a Belfast? A ydych chi'n meddu ar yr un adnoddau yn gymharol, yr un rhyddid yn gymharol, a'r un maes gwaith, fel petai, neu a yw'r gwahaniaeth rhyngoch chi'n adlewyrchu'r gwahaniaeth yn y datganoli sydd rhwng y gwledydd hefyd?

Simon Thomas: Is there a difference between the way in which you can work here in Wales and the way that your colleagues work in Scotland and Belfast? Do you have similar resources and similar freedoms, comparatively, and the same work remit, as it were, or does the difference between you reflect the differences in devolution that exist between the different nations as well?

[173] **Mr Hughes:** At the moment, I am in a very fortunate position, because I have the best resourced office in the UK. I have three and a half staff, I think that the Belfast office has two, and Scotland has three or four, which might sound odd, because Scotland is both bigger and, perhaps we could say, a slightly more sensitive place at the moment. The problem for the regional offices is that, with the budget being so tight, and with it going to get much worse next year—I am not complaining; this affects everybody, but it is affecting the European Commission next year and we have to find £2.5 billion of savings over the next seven years for the administrative costs—it is very difficult to replace staff who leave. I have been fortunate in that the turnover in my office has been very low, but if somebody were to leave, I think that I would have quite a fight on my hands to try to get the post replaced. There is an official line on the amount of resources that you need for a regional office, but that will, I am rather sure, go by the by pretty soon.

- [174] **Simon Thomas:** In terms of working, do you work together as regional offices? For example, are you able—if you are slightly better resourced, comparatively speaking—to pool little bits together with, say, Edinburgh, to do a joint piece of work on something that is common between Wales and Scotland? How does it work in practice?
- [175] **Mr Hughes:** In practice, we have a monthly meeting in London, which we usually attend by video-conference. It is a monthly management meeting where we address the structural issues, as it were, and we exchange ideas and best practice, but there is also a constant exchange going on. This morning, for example, I asked my colleagues in Scotland what the opinion polls there were saying about EU membership and I told them about what was going on here, so there is a constant exchange of information. Obviously, the contexts are very different in Scotland, Northern Ireland and Wales; the issues are different.

4.00 p.m.

- [176] **Simon Thomas:** You may not want to answer this question, but I am going to ask it anyway. You were very clear that the head office is London, and we understand why that might be. However, does London get devolution? Does your head office get devolution as well? In other words, are its resources, where appropriate, also used to promote the Commission and the work in Wales? It might be nice for you to have that freedom, but is there a tendency to say, 'Oh well, that's Wales, we'll leave it to deal with that'? My contention would be that devolution within the United Kingdom is an issue for the EU as a whole to try to deal with, particularly in facing the changes as a result of the independence referendum in Scotland or a potential referendum on EU membership.
- [177] **Mr Hughes:** I suppose the fact that I have never thought about that very much means that I probably have more freedom than I thought I had, now that you have put it in such a particular way. There are certain priority messages that we receive from Brussels, and we are instructed to draw attention to certain issues, such as economic governance, the European Year of Citizens and so on. However, there is an intelligent understanding that every office and every representation in every member state needs a degree of flexibility to address issues that crop up locally. Structural funding in Wales is perhaps the best example. It is a big issue here because of west Wales and the Valleys being one of only two regions in the UK to get the high level of funding. I am in contact a lot more with colleagues in DG Regio than my colleagues in London and Scotland are. It is that kind of example.
- [178] **Simon Thomas:** Okay. Diolch yn fawr.
- [179] **David Melding:** Thank you. That finishes the questions that we wanted to put to you, David, but, if there is anything that you want to bring to our attention that is particularly pertinent in your view to our inquiry, we would be very happy to hear that now.
- [180] **Mr Hughes:** To try to sum up and clarify a little bit, I suppose that my conclusion would be that, realistically, in terms of increasing the effectiveness of Wales's influence on EU decision making, it is perhaps best to focus on improving the efficacy of that informal side, and perhaps it is here in Wales, rather than in offices in Brussels, that enhancing knowledge, awareness and understanding could be most effective.
- [181] **David Melding:** Thank you very much. That leaves us with something to think about. Thank you also for giving of your time generously this afternoon to help with us our inquiry.

4.02 p.m.

Papurau i'w Nodi Papers to Note

[182] **David Melding:** There are two papers to note. Both will be discussed, should we go into private session, but they are a written statement by Alun Davies relating to animal welfare, and a letter from the First Minister relating to the committee's inquiry into how powers are granted to Welsh Ministers from UK Bills. Are we happy to note those? I see that we are.

4.03 p.m.

Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod

Motion under Standing Order No. 17.42 to Resolve to Exclude the Public from the Meeting

[183] **David Melding:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42(vi).

[184] Are there any objections? I see that there are no objections.

Derbyniwyd y cynnig. Motion agreed.

> Daeth rhan gyhoeddus y cyfarfod i ben am 4.03 p.m. The public part of the meeting ended at 4.03 p.m.