

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Tuesday 22 November 2005

Session 2

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EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

17th Meeting 2005, Session 2

CONVENER

*Linda Fabiani (Central Scotland) (SNP)

DEPUTY CONVENER

*Irene Oldfather (Cunninghame South) (Lab)

COMMITTEE MEMBERS

*Dennis Canavan (Falkirk West) (Ind)

Mrs Margaret Ewing (Moray) (SNP)

*Phil Gallie (South of Scotland) (Con)

Mr Charlie Gordon (Glasgow Cathcart) (Lab)

Mr John Home Robertson (East Lothian) (Lab)

Gordon Jackson (Glasgow Govan) (Lab)

*Mr Jim Wallace (Orkney) (LD)

COMMITTEE SUBSTITUTES

Ms Wendy Alexander (Paisley North) (Lab)

Derek Brownlee (South of Scotland) (Con)

Richard Lochhead (North East Scotland) (SNP)

Nora Radcliffe (Gordon) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Elizabeth Holt (European Commission Office in Scotland)

William Sleath (European Commission Secretariat-General)

CLERK TO THE COMMITTEE

Alasdair Rankin

ASSISTANT CLERKS

Nick Hawthorne

David Simpson

LOCATION

Committee Room 2

Scottish Parliament

European and External Relations Committee

Tuesday 22 November 2005

[THE CONVENER *opened the meeting at 14:02*]

European Commission Work Programme 2006

The Convener (Linda Fabiani): Hello, everyone, and welcome to the 17th meeting this year of the European and External Relations Committee.

I have received apologies from Charlie Gordon; John Home Robertson, who is overseas; and Margaret Ewing, who is not well. I welcome back Phil Gallie—I see that he is here, not his substitute. It is a pleasure to have him back.

I also welcome a special visitor to the committee. David Craig from Hamilton College is doing work experience. I hope that he will enjoy what he hears.

Our first agenda item today is consideration of the European Commission's work programme for 2006, which was published last month. The committee will discuss the areas of the work programme that it might want to take forward in the coming months. To help us, I am pleased to welcome William Sleath from the Commission's strategic planning and programming unit, who kindly agreed to come over from Brussels to be with us this afternoon.

It is a pleasure to meet you for the first time, Mr Sleath, although I know that members who took part in the committee's visit to Brussels last spring recall meeting you on that occasion to discuss the Commission's 2005 work programme. I ask members to bear in mind the fact that William must catch his return flight this afternoon so, interested though we are, we should not keep him beyond 3 o'clock.

I ask William Sleath to make a brief opening statement and then we will move on to questions.

William Sleath (European Commission Secretariat-General): It is a great pleasure to be here. We welcome the opportunity to explain a little about the Commission's intentions for the coming year, so I thank you for the invitation.

Before sketching out a few of the key features of the programme for 2006, I will explain why we have a work programme at all.

It is important to remember that the work programme is one step in a chain that links the Commission's overall political objectives to real action. When the Commission came into office, it established five-year strategic objectives. In a sense, each work programme is a kind of annual down payment of action towards the realisation of those goals. It offers a kind of internal discipline to ensure that the political aims of the Commission are where the action is focused. It also offers a performance measure internally and externally.

There is an external reason for each work programme, which is transparency. In the European Union system, the Commission has the role of developing policy and coming up with ideas. Obviously, it is important that not only the other institutions in the EU system but other actors and interested parties, such as this committee, are aware of what is likely to come up and what the future programme of EU action is likely to be.

You will have noticed that the programme for 2006 is organised to follow the four strategic objectives that the Commission has laid out: prosperity; solidarity; security; and the external dimension of those three goals. Looking inside that, it is important to think of the overall life of a political initiative from conception, through consultation to legislation, negotiation and implementation. There are many different stages that a political initiative must pass through. The work programme is a snapshot of those political initiatives at various times in their lives. Some are in their early stages and we are issuing consultation papers on them. Others have been consulted on and are nearing their legislative stage. Still others are in the form of proposals that we are in the middle of putting the case for.

We have in the work programme a list of priority actions, which is where much of the attention tends to be focused. However, I stress that the work programme is not only about that list; it also covers many on-going actions, some of which will take up a huge amount of energy and political attention over the coming year. For example, in relation to the financial perspectives package, even if we get a deal at the European Council next month, there will still be a tremendous amount of work to do to get all of the programmes into legislative form and up and running before 1 January 2007. There are many areas of importance—such as Lisbon, the World Trade Organisation round and so on—that are not necessarily linked to the adoption of a particular paper by the college of 25 commissioners but which are, politically, headline issues for the coming year.

In addition, the priority list is not an exclusive list. As well as the items that have been highlighted, the Commission is likely to come forward with

many other items over the year. Many of those are things such as annual reports and other regular documents that the Commission is required to produce under existing legislation.

I will pick out a few headline issues, in each of the four areas. Of course it is difficult to pick out particular subjects, and I am sure that members have certain things that they would like to talk about, but I will run through the strategic objectives quickly. The Lisbon agenda remains the core focus of our activity on prosperity, with perhaps an emphasis this year on trying to ensure that the internal market works—the emphasis is on implementation. With regard to solidarity, there will be a particular emphasis this year on long-term areas: the challenge of demographics and how environmental policy will look after the Kyoto arrangements come to an end. Security is an issue, and in the wake of the London bombings there is great emphasis on anti-terrorism measures. Externally, we must follow up the priorities of the Lisbon agenda and issues relating to terrorism in an international dimension.

I emphasise that the European Commission's work programme is not just about policy content; it is also about how the Commission tends to its business. The committee will see in the large section headed "Delivery and Better Regulation" the importance given to the quality of regulation, to consultation and to ensuring that the European Union's work is of a high standard. President Barroso has put particular emphasis on that.

That was, I hope, a helpful introduction and a very quick run-through of the objectives. I am happy to discuss any and all of them.

The Convener: Thank you very much, William. Members will have many questions, but I will start by asking a fairly general one. How can regional Governments and Parliaments participate in the European legislative process?

William Sleath: I mentioned the idea that political initiatives that come forward as legislation do not come out of nowhere. Legislation is part of a political initiative's life, but it is standard practice—other than in urgent cases—to build in consultation mechanisms. That can be done when the initiative is at the separate document stage—a green paper or a communication—or as part of the process of impact assessment, which is now a compulsory exercise for the items in the priority list.

Consultation offers an opportunity to many actors: to non-governmental organisations, trade associations and social partners. It also offers an opportunity for regional authorities and regional Parliaments to have their voice heard and to input to the process. We always welcome such input, as it can save the Commission from coming forward

with an initiative that has not taken all factors into account.

It is in everyone's interest that consultation happens at an early, upstream stage when it can be fed into the Commission's thinking.

The Convener: If I understand correctly, you are saying that it is acceptable for the Commission to listen to the views of a regional Administration on a matter without necessarily going through the national Government.

William Sleath: Absolutely. There is a formal legislative system for which procedures are laid down in the European Union treaties and in which there is a clear, formal role for the European Parliament and for member states' Governments acting in the Council of the European Union. One of the fundamental principles of the better regulation world in which we now live is the distinction between that formal system and the early consultation that I talked about.

However, that is not the whole story. Our experience is that if one waits until that point to have a political discussion, it is too late. The discussion ought to happen much earlier, with a much wider variety of actors. Of course, the fact that national Governments and the European Parliament have a formal role further down the line means that they are particularly important in the process and people will always have an eye on the line that they are likely to take. However, the process is in no way exclusive and the consultation mechanisms that have been developed over recent years are there to give other actors the opportunity to have their say.

14:15

Dennis Canavan (Falkirk West) (Ind): My question is more specific. It is about the recommendation for a European qualifications framework, which I understand will be part of the Commission's work programme. What is the aim of that framework? Is it to get mutual recognition throughout the European Union of all professional qualifications? If so, will that not be very difficult? Even within the United Kingdom, there is not mutual recognition of all professional qualifications. For example, there is a General Teaching Council for Scotland, which is distinct from the General Teaching Council for England. Someone's qualifications may be recognised and may enable them to teach in England but not in Scotland. Similarly, there is a different body of Scots law, a different training for lawyers and a different law society in Scotland. What will the Commission do to work towards a European qualifications framework?

William Sleath: You have underlined some of the reasons why it is not easy. It has proved not to

be enough to start off from the political goal of mutual recognition. It is necessary to work with national, regional and local authorities, trade bodies and professional organisations to develop confidence and mutual understanding. The idea behind the framework is to develop through that network approach a more understanding attitude in order to pave the way for real free movement and mutual recognition of qualifications. It is inevitable that that process will not move forward at an equal rate in all parts of society and the economy, but we have to make a start. We can provide good examples and encourage member states to learn from each other's experience and to move forward in that way.

Dennis Canavan: Can I take it that the European Commission will make direct contact with Scottish institutions and bodies such as Scottish universities, the General Teaching Council for Scotland and so on rather than rely on the UK Government to present the Scottish case?

William Sleath: Certainly, that kind of network cannot work only at a national level; it must operate at all kinds of levels through all kinds of bodies, otherwise it is a case of civil servants talking to civil servants, which will not work. The network must include people who will receive a curriculum vitae and say to themselves, "Do I regard this qualification as being just as good?" Work must be done at a much more fundamental, local level.

Irene Oldfather (Cunninghame South) (Lab): I will start with a general question. We have thanked you for coming from Brussels and we appreciate your contribution to the committee's work, but a question that I ask myself when I look at the work programme is: will it reconnect Europe and its citizens?

It seems to me that the programme is very measured compared with programmes in previous years. I do not know whether you can give us a reason for that. Revision of the works council directive has been called for, for example, but I do not see anything in the programme about that, nor do I see a great deal about the services directive, which will have an effect on public services and collective bargaining, although I recognise that the programme is, as you said, a snapshot of political initiatives.

Europe's citizens are asking about what is being done about MG Rover or Hewlett Packard in France. The committee sees such examples. Will you flesh out a little the social and employment issues, which seem to be a little bit lacking on first reading of the programme? Can we look forward to their being fleshed out in future years while the period of reflection is being worked out? I am not sure. Perhaps you can give us an insight.

William Sleath: Sure. If annual work programmes are considered to be down payments for actions, it is inevitable that there will be years in which there will be a little more in one area and other years in which there will be a little more in other areas. This year, we are hitting a moment in the institutional rhythm in which many important things are already on the table. A lot of energy in the social area will go on developing the new social agenda, for example, which was adopted only last February, I think, and on getting in place the new cohesion and structural funds, assuming that there is a deal on the financial perspectives. Therefore, there is already an in-built agenda that people are working on without their necessarily having to propose new initiatives. In the area of equality between men and women, an action plan has been proposed that follows on from the social agenda and which puts things into more tangible form.

You mentioned the interesting example of Hewlett Packard. The Commission has been faced with something of a challenge with that case. Some member states have said, "What's the European Union's answer to the problem? How can the European Union show that it is offering a response to such social crises?" We have come forward with the idea of the globalisation adjustment fund, which is not in the programme because of the urgency that is involved. President Barroso has proposed a new fund to allow urgent and rapid help to be directed to those who have lost their jobs. The aim is to help people to find new jobs where there have been large-scale redundancies.

The work programme offers an idea of the main lines of medium-term planning, but there is no sense in which it is exclusive or in which, just because there is a priority list, we cannot do anything else if there is an urgent need and a political imperative to act. Some cases will fall into those categories.

Irene Oldfather: I am glad that you mentioned the globalisation adjustment fund because I was going to ask you about that. I do not see it in the programme but it is attached to the financial perspectives. Is that correct? Is the Commission looking to ring fence that fund as it does the solidarity fund? Is the globalisation adjustment fund intended to be outwith the money in the financial perspectives? What support has the fund gained during the UK presidency? I will be interested to hear your thoughts on that.

William Sleath: You are absolutely right. The budgetary mechanism for the globalisation adjustment fund is modelled on the solidarity fund. There will be no pre-allocated money for the fund in the financial perspectives. If there is no need for the fund in a particular year, there will be no

expenditure. If the European Parliament and the Council agree that there is a need, the fund can draw up to €500 million per year. Incidentally, that sum can customarily be found in the headings, because there is always a reasonable margin.

On your question about how much support the fund has been getting, I can perhaps characterise the position by saying that support is not too bad. There is recognition that there is a real political issue and there is interest in the European Union's ability to offer a swift response to social crises. Some member states are positive while others have been more reticent.

Irene Oldfather: The fund will be something that citizens can actually see. When cases arise such as those of MG Rover or Hewlett Packard in France, citizens will know that a pot of money from Europe is available to assist. My understanding is that the fund will deal with asymmetric shocks to regional economies and that there will be a trigger mechanism for member states to draw on it. Is that correct?

William Sleath: It is for member states to consider whether the criteria have been met and to make a request. The request will go to the Commission, which will give its view on whether it is justified. It will then go to the European Parliament and the Council.

It might be useful to say a bit more about the purposes of the fund. It is a reactive fund, so it will kick in only when something happens that is of a certain level of political importance. Member states will have to bear that in mind when they make requests. Also, there is an element of co-financing, in that the member state will be expected to contribute as well. The requirement for national finance is a guarantee that there will be a certain level of seriousness in the requests.

Irene Oldfather: Thank you. I recognise that my colleagues want to come in, but if I can briefly say—

The Convener: Very briefly, please.

Irene Oldfather: The services directive is a bit of a disappointment. Some leadership on that would have been welcome because the directive is so controversial and so complex. I hear what you say about the programme being a snapshot in time and I do not know whether discussions on the directive are taking place or whether the European Parliament is doing most of the work. However, sometimes we need a little bit of leadership and I was a bit disappointed that the position was not made clearer in the work programme. I simply make that comment; I do not know whether you want to respond.

14:30

William Sleath: When the work programme was adopted, it was expected that the European Parliament would come up with its views at the end of October or this month, so that the Commission could respond with a revised proposal this year. If we had known that the European Parliament's consideration was going to be postponed, we would have said something about the matter in the work programme.

Irene Oldfather: Thank you.

Mr Jim Wallace (Orkney) (LD): When I met one of the commissioners this time last year, just as the new Commission was bedding in, I got the clear impression that it was intended that the hallmark of the new Commission would be consolidating and reinforcing what was there and that there did not need to be a great long stream of new initiatives and regulations to prove a commissioner's virility. Do you think that that is holding fast?

William Sleath: There is still very much a flavour of that. The current Commission is keen that it delivers on what it announces. Whereas in the past we adopted 50 or 60 per cent of the priority actions that we announce by the end of the year, in the 2005 work programme we have now adopted more than 80 per cent of the actions and will certainly have adopted more than 90 per cent by the end of the year. Delivering on what the Commission puts forward is still very much the byword.

It is worth noting that quite a few items in next year's programme are about helping implementation. The proposals on public procurement are not about having another piece of legislation to extend the scope of the rules; they are about how those who fear that the rules are not being implemented can get a legal judgment in their favour. A lot of the items in the programme relate to the idea that we need to do more to ensure that the existing rules are implemented.

Mr Wallace: I am grateful that you mentioned the proposals on public procurement, because I was going to come on to that. I certainly welcome the focus on ensuring the proper implementation of the rules. It is a healthy sign if that is the trend.

You will be aware that there has been considerable concern in Scotland about non-military shipbuilding contracts. It appears that in Germany most public sector contracts go to German yards and that in France most public sector contracts go to French yards. However, in Scotland the contracts seem to go anywhere bar Scottish yards. We cannot understand why the same German yards are not as competitive when they bid for a Scottish contract as they are when they bid for a German contract. There is

scepticism, but it has not yet been established that anyone is doing anything other than playing by the rules.

What initiatives does the Commission intend to implement to try to ensure that the rules are properly enforced? It is a question of ensuring not only that public sector contracts are properly advertised in the relevant European journals but that the outcomes of the bids for contracts are properly reported. I think I am right in saying that there is a shortfall between the number of contracts that are advertised and the number of contracts whose outcome is reported.

William Sleath: I do not know about the issue of reporting. Certainly, there is a focus on trying to encourage challenges where it looks as if contracts are not being awarded according to the rules, by ensuring that processes are in place to allow those challenges to be effective and not lengthy. Such issues can act as a disincentive to a private company putting in a bid in the first place.

There is a general recognition that the public procurement rules are not working as openly or as well as they ought to and therefore a sense that action must be taken to ensure that the rules work. This year, the concentration is on trying to ensure that if someone has a problem in any of the 25 member states, they know exactly where to go, how long action will take, how much it will cost and what the end result might be. There is an obligation on member states to offer such procedures, but the procedures tend to vary from one member state to another.

Phil Gallie (South of Scotland) (Con): Unlike Irene Oldfather, I see the EU work programme going into new areas, to some degree. It seems to me that in the work programme that you have presented to us today there are no no-go areas for the EU in relation to national interests—much more so than in the past. Is the Commission still working to an agenda that is based on the proposed European constitution going ahead?

William Sleath: There is a sense in which the constitution was a consequence of European political consensus. The constitution introduced very few new policy areas and stayed fairly close to the status quo on the scope of EU action. The more significant impact of the constitution was in the area of the facilitation of procedures for taking action. I do not think that you would have seen a huge difference.

The constitution contained some new areas, the most obvious of which was the significant shift in what the EU could do in the area of justice and home affairs. The Council established The Hague programme on the assumption that the constitution would come into force. If you have read The Hague programme and know the

Council's intentions, you will see that there are items in the work programme that the Commission should be coming forward with but is not, because there is no constitution and therefore no legal basis for them.

Phil Gallie: With respect, I do not know that I agree with what you said about the constitution, which would have given new competences to the EU in certain areas. However, that is not for debate today.

I think that Jim Wallace referred to one of the proposals in the work programme on defence procurement. Defence is very much a national issue. My reading of the EU's intention on defence procurement is that it would remove an element of national responsibility and the EU would be able to select, for whatever reason, what it considered best for our armed forces. Is that not a step beyond what the Commission can do?

William Sleath: The EU treaties have for many years had in them provisions on defence procurement that have explained that there can be exceptions for reasons of security. The intention this year is to try to go a little bit further and define what we mean when we talk about "reasons of security".

If we consider the member states' input to the EU defence effort and the output from that effort, there is an appreciation that we do not get as much of an output as we ought to, given our input. One of the reasons for that could be that the interpretation of the national security exception has been so wide that we do not have the military clout that we ought to have.

Phil Gallie: I would prefer to leave that to our national Governments to judge.

Is this not a time for the EU to reflect? People in France and Holland have spoken out in a way that might suggest that national interest should have a greater input, but are you not ignoring that by coming up with a work programme such as the one that we are considering? Would it not have been better, in—I think—Jim Wallace's words, to regard the period between now and 2007 as one of consolidation?

William Sleath: Consolidation, yes—but not inaction. There is no evidence from France or the Netherlands that citizens want the European Union to stand still and do nothing. On the contrary, there is a range of issues on which the opinion polls show that citizens want the European Union to act. They perhaps do not want it to act in the same way that they consider that it acted in the past, but they expect EU action, so to stand back and do nothing is not the right answer.

Phil Gallie: My final question is specific to the toys directive. I have a particular interest in the

importation of toys. I presume that the EU directive will set very safe criteria for the manufacture of toys by European manufacturers and producers. Will the directive apply in the same way to anybody who imports toys to ensure that the goods comply with it?

William Sleath: Yes. The safety legislation is about products that are marketed on the EU market, rather than only those that are made in Europe.

Phil Gallie: Okay. Thanks very much.

The Convener: Is Mr Gallie happy?

Phil Gallie: No. I am never happy, but I will accept that answer.

The Convener: I have two specific questions that I would like William Sleath to answer. First, will you give me your views on whether the proposed European institute of technology is likely to be established in five proposed centres throughout Europe?

Secondly, I have concerns about the intention to open up the internal market for postal services. What proposals does the Commission have for the interests of rural areas, such as much of the Highlands of Scotland, where a competitive postal service might not be viable?

14:45

William Sleath: As you might know, there has been a consultation on the European institute of technology, which came to an end only last week, I think. I am sure that my colleagues are beavering away examining the answers and coming to some slightly firmer conclusions than we have had so far.

As you are obviously aware, among the ideas was that of having a network that would build on existing institutions in several member states. However, inside that idea, there were several different models that could be used. For example, although there would be a network, would a central body be necessary to hold everything together? How large a network should we have? How would we choose who will be inside it? Who would be involved in the results: would it always be the same people in the network or would we have a variable geometry? There are lots of different options and it is a little early to come to conclusions about how this area will end up.

On the issue of postal services, it is important to remember that the goal of the initial legislation on postal services was not just to open up the market; it was to maintain a universal service and open up the market in areas that would not harm the universal service. I would think that that two-track approach would be maintained.

There is an initiative this year because the original legislation gave 2009 as the deadline for implementation of the current phase and included a built-in review this year, when the Commission was to come to a view about the extent to which the intentions that were set out for 2009 should be maintained or whether they should be amended or reformed in some way. If you like, it is a kind of mid-term review when amendments can be suggested. I am sure that the idea of the critical importance of maintaining the universal service will remain absolutely at the heart of the intentions.

The Convener: Has any research or investigation been done by the Commission on the current state of postal services, their cost, how they will be maintained and how they could be part of a competitive national postal service?

William Sleath: I do not know the details, but the review will be the result of such a study and investigation. It will come forward with ideas but, at the same time, it will give an idea of the state of play with regard to how reform has gone so far.

The Convener: Does anyone want to follow up any of the issues?

Phil Gallie: To me, the integration of the EU mortgage credit market looks like harmonisation. How, in the Commission's view, does that affect competition?

With regard to the proposal for a regulation on the law on jurisdiction in relation to divorce, the Scottish Parliament is currently dealing with the Family Law (Scotland) Bill, which is quite complicated and is creating concerns within our relatively small community. How will wider EU interests affect divorce law in this country?

William Sleath: On the mortgage issue, the question is one of liberalisation. At the moment, we do not have a single market in mortgages. A consumer who is looking for a mortgage in one member state is in a situation in which, because of prudential rules, consumer-protection rules, supervisory rules and so on, they are able only to take up an offer from their country. That is a gap in the existing internal market arrangements. We think that it is time that we moved towards giving borrowers an opportunity to have access to a larger amount of mortgage offers.

The divorce issue is part of a civil law initiative. We are talking entirely about mutual recognition. At the moment, there are problems in securing mutual recognition of family law issues across the member states. The regulation is one of a series of attempts to ensure that a divorce that is granted in one member state is recognised in all the others.

Mr Wallace: Your answer to the convener's first question was welcome and helpful. It indicated

that the views of regional and sub-member state legislatures and Executives would be welcome. The work programme helps a lot, but is the mechanism for early warning a bit hit and miss? Are there mechanisms, not just for Scotland but for places such as Catalonia and the German Länder, that allow us to have meaningful input at a sufficiently early stage so that we can influence thinking?

William Sleath: The answer is probably, "Yes, normally." The system is not yet perfect; the systems of consultation are still relatively new in the Commission's bloodstream. It takes a few years for such systems to become natural and for people to do things in a comparable enough way for outside actors to know exactly what they are supposed to do and how they are supposed to respond. We are moving towards that position.

Over the past couple of years, our minimum standards for consultation have helped a lot to standardise systems and have made it easier for outside interests to be heard. The Europa website your voice in Europe should list all the on-going consultations and is an easy one-stop shop. We are getting there, and if our systems get there, it will inevitably become easier for outside interests to have their voice heard.

The Convener: Thank you very much.

I know that the committee has studied closely the papers that were sent with the agenda, including the paper that the Scottish Parliament information centre prepared on the background to the work programme. Would the committee like to engage with any specific aspects of the programme? To jog our memories, I took a note of the specifics that we touched on when taking evidence: a European qualifications framework; social employment issues and the solidarity fund in particular; consolidation and public contracts; defence procurement; the toys directive; the institute of technology; and postal services. What are members' views?

Irene Oldfather: The discussion has been helpful. We should keep a watching brief on some of those issues and ask our parliamentary officer in Brussels to keep us posted on developments. I know that the globalisation adjustment fund is dependent on finances, so we cannot do a great deal more about that just now. That applies to a number of issues, but we should certainly keep abreast of any developments.

Phil Gallie: I have particular concerns about defence, and it might be worth, even at this early stage, touching base with Adam Ingram, the minister of state at the Ministry of Defence, to see what his views are. That is only one side of the argument—companies such as BAE and others have a UK interest, and it might be worth finding

out what is happening on both sides of that argument.

I thought that Dennis Canavan's comments on education were interesting. We will discuss information technology later, and our major institutions, such as the Royal Society of Edinburgh and the universities, are perhaps out of step with what is being proposed in Europe on that. That is obviously well worth looking at.

I am more interested in the mortgage issue from a people viewpoint than from an industry viewpoint. It sounds to me as if finding a system that would operate right across Europe could be a heck of a complicated process, given different property ownership practices and so on. Once again, it seems to me that the mortgage issue is one on which Europe should not overstretch itself.

The Convener: Perhaps that is an issue on which we can keep a watching brief rather than investigate whether progress is being made.

Mr Wallace: On the idea of a watching brief, it might be useful if we monitored some of the issues. Issues such as postal services are reserved, but if the Scottish Parliament has direct responsibility for an issue, perhaps we could hear from the Executive what input, if any, is being made into the consultations, particularly those on issues highlighted by members.

The Convener: I will leave the institute of technology aside for the moment, as we will come back to it. However, we will have a watching brief in relation to the other consultations—particularly those that members raised and into which the Executive should have an input. Part of the watching brief would involve checking the Executive's input.

Irene Oldfather: A further point occurs to me following what Jim Wallace said. We have held a debate in the Parliament on the Commission's work programme. It was useful, because it allowed members to raise issues to which the Executive could respond. I am not sure whether that debate was a committee debate or an Executive debate, although I have a feeling that it was the former. I do not know whether any committee debates are coming up, but if so, we could use one to explore the work programme further and get a response from the Executive. Alternatively, we could invite a minister to the committee.

The Convener: Nick Hawthorne has just confirmed that it was a committee debate.

Phil Gallie likes getting ministers along to the committee.

Phil Gallie: I liked the debate in the Parliament, actually. I would prefer such a debate, if possible.

The Convener: There is no reason why we cannot make a bid.

Alasdair Rankin (Clerk): I understand that slots for committee debates are available in January, February and March.

The Convener: Let us have them all. What do members think? We will go for it.

Phil Gallie: Let us have a debate as early as possible. I back Irene Oldfather's suggestion.

The Convener: What is happening here? It just shows that the break did the two of you good.

We will monitor the issue, but we will also make a bid for a committee debate to consider points raised by other members of the Parliament. We will do that with a view perhaps to inviting a minister to the committee to discuss some of the issues. Have I got that right?

Members indicated agreement.

Plan D for Democracy, Dialogue and Debate

14:58

The Convener: We move to item 2, on the European Commission's plan D. Members will recall that at our last meeting on 8 November we had an initial look at the draft terms of reference for the inquiry into the Commission's plan D for democracy, dialogue and debate, which was launched in mid-October.

We agreed that further detail would be useful. Therefore, I am delighted to welcome Liz Holt, who, as everyone here will know, is the head of the Commission's representation in Scotland. This may be the last time that Liz gives us evidence in that capacity, as she will soon take up a new post with the Commission in Paris.

Irene Oldfather: Oh, I did not know that. Congratulations, Liz.

The Convener: I am sure that you will want to join me in thanking Liz for the tremendous assistance that she has given the committee and the Parliament over the past few years. Thank you, Liz.

I will ask Liz to speak briefly on why the Commission launched plan D and what involvement the Commission envisages from Scotland.

15:00

Elizabeth Holt (European Commission Office in Scotland): Thank you very much. Thank you in particular for those kind words and for spreading the news. I am telling as many people as I can that I am leaving; however, I have been here so long that nobody believes me. I have been here for six and a half years, which is a little longer than the usual term for heads of office. They could not get me away from here.

I was lucky to be involved in the G8 meeting this summer. As a civil servant, that was a once-in-a-lifetime opportunity and I was interested in doing that. Now I am reluctantly transferring to Paris for a change of scene. The move is part of the action plan on communication; I will probably work on plan D in Paris.

I will put plan D into context and help members to understand what the Commission is trying to do.

The Barroso Commission has made communication one of the strategic objectives for its term of office. Communication has for the first time been recognised as a policy in its own right. We cannot underline too much the importance of communication. In the committee's discussion with

William Sleath mention was made of early warning and so on. That is all about communication. The intention is to make the mechanisms work better so that there will be better communication at the vital stages. I think that we can all agree that it is vital for the EU—and for the Scottish Parliament and any other similar institution—to get communication right. As I am sure members will know, plan D is about democracy, dialogue and debate.

A term such as plan D opens itself up to all sorts of comments and jokes—I am grateful that it is the letter D and not one of the other letters of the alphabet.

We want the dialogue to take place at all levels of the EU in all the institutions and at all levels in member states: national, regional, and local. Plan D came about after the negative votes on the European constitution in France and the Netherlands. Following those votes, the European Council meeting on 18 June 2005 called for a “period of reflection”. That period has already been mentioned. The heads of state and Government in the European Council said that European institutions should “make their contribution” to this period of reflection

“with the Commission playing a special role in this regard.”

Plan D is shorthand for the Commission's response to that request and its intentions as to how it will contribute to the period of reflection. I think that we all agree that reflection is needed. The Commission believes that we need a far-reaching debate on European policies, which will in particular give us a much clearer picture of what people need and expect from the European Union.

As I say, the objectives of plan D are straightforward: democracy, dialogue and debate. Plan D is emphatically not a rescue plan for the constitution. The constitution has been put to one side and I do not know what will happen to it. It is for the member states of the EU—individually and collectively—to decide what they want to do. The constitution may well be dead. The message that came from France and the Netherlands was that those votes stopped the constitution in its tracks. That is the situation today. Plan D is not about the constitution, which is out of the picture.

The votes showed that there are diverse views about where Europe is going, what it is for, and what people want and do not want from Europe. Plan D is designed to bring about a focused debate between the European Union institutions and people in the member states to try to find answers to those questions. It is about trying to define more accurately just what the criticisms are and what the solutions might be, and how Europe can work better and can mean more to the people who make up the 25 member states of the

European Union. The aim, as I said, is to have a debate; not a referendum, but a dialogue in which we communicate with one another about what is really happening. That debate might take place in the context of existing initiatives, or new things could be put in place. One of the reasons why I want to talk to you today is that I hope that some new things can be put in place in Scotland.

The Commission's hope—and it is ambitious—is that there will be, to some extent, a reinvigoration of European democracy. It could be said that until now the European Union has operated remotely, certainly in people's minds. One member state differs from another, but people have not always felt particularly close to the European Union or that it has much meaning in their lives. You can see that in the turnout for European Parliament elections. Of course, that kind of problem is not restricted to the European Union. It is a problem that is faced by Government in Scotland and the UK, and by most Governments in the EU.

We hope that, by enabling the debate, we will help to build greater public confidence in the European Union. The UK has belonged to the European Union since 1973, which is 32 years. I say that with feeling, because I was married in 1973 and it is beginning to dawn on me how long I have been married. I personally sometimes find it a little astonishing that Europe is still something that people in this country feel uncomfortable with and that they do not feel that the UK is part of the European Union. That means that there is a job to be done to build trust and involvement with people. People must feel that they have the ability to affect how decisions are taken in Europe and they must understand how Europe genuinely adds value.

The case of mortgage credit is an example of added value. When people are looking for mortgages they want the biggest choice and the cheapest mortgage that they can get from a reliable institution on the best terms. You can see adverts in the newspapers from mortgage brokers that are designed to deliver just that. What the EU is doing in that part of the work programme is to widen the market, so that there is even better competition for what is delivered to people. If people thought that the European Union was giving them really good, cheap mortgages on excellent terms, they might think that it had slightly more purpose than they had perhaps believed.

We are also trying to reach new audiences with the debate. Most of the meetings that I go to that involve the public, involve the same people. I see you nodding, convener.

The Convener: I am nodding vigorously.

Elizabeth Holt: We see each other at those meetings. It is a fact of life that it is often the usual suspects who attend.

The votes in France and the Netherlands showed clearly that there are many groups of people who have very different views; some are pro, some are anti, some are not sure and some are fairly neutral, but basically positive. There is a huge range of views among different groups of people. We must start a dialogue with those people and engage with the range of opinion that people have about the EU.

We will try to reach new audiences, and we want that to happen in places such as Scotland. We hope to get more of the discussion on television and to get better coverage of it in the new media—the important media that really reach people. We hope that the issues can be covered on television. The biggest weakness of plan D is its name; that is not the name that I would have given it. Perhaps it sounds snappy in Swedish—please do not show the *Official Report* of this meeting to Margot Wallström.

It is no exaggeration to say that the votes in France and the Netherlands have created a sense of crisis in the EU—a sense that we are not getting through to people and that that matters. Whatever happens about plan D—about dialogue—there must be a long-term commitment from the EU institutions and member state actors at local, regional and national levels. Fundamental to plan D will be a listening and learning attitude. Margot Wallström has used the word “humility” in a lot of her public pronouncements on the issue, and that is not an unsuitable word. The EU institutions should approach dialogue with a certain humility, as there has not been enough listening in the past. That will be absolutely vital. We want to assist the debates that will take place as much as we can. I hope that they will take place. There is tremendous cynicism about Europe—there always has been. I remember the cover of *Private Eye* that stated “The Great Debate Begins” at the time of the 1975 referendum. It showed people asleep in their deckchairs in London’s Hyde Park.

I hope that all those issues will be examined, and I hope that the dialogue will involve ordinary people. It must take place at the appropriate level in the member states, and it must take place in a separate and coherent way in Scotland. I do not think that the UK can have this debate in London. Arguably, it is not a debate that the UK can have in a way that excludes places such as Yorkshire. However, I hope that it will be recognised that devolution means that the Scottish Parliament has a role to play in starting the dialogue in Scotland.

The Commission is planning what will happen regarding feedback. It will start to look at what is happening within member states and at the results

of debates in April and May 2006, but I emphasise what I said before: this is a long-term process. If you choose to do something in Scotland and the results are not ready by April or May, it will not matter that you have missed a deadline, because there is no deadline for good communication. That is the point about communication—some things take time. I hope that my comments encourage you to think that plan D—or whatever you choose to call it in Scotland; maybe we can find another name for it—will yield fruitful and interesting results.

15:15

The Convener: Thank you, Liz. You have made things a lot clearer in my mind, because many of my questions were answered by your presentation. It is clear that the Commission will welcome input from Parliaments such as our own. I was concerned that the consultation on plan D—which sounds awful—was to close in April, given that it is so ambitious. However, I am delighted that, as you said, it will be an on-going process.

Before I open the meeting to questions, I would like to mention the Executive’s own consultation programme on Europe, called building a bridge between Europe and its citizens. Would it be acceptable for this committee to work in tandem with that programme and the plan D consultation to come up with the best submission that we can for the Commission, on an incremental basis? Rather than try hard to produce a submission for April, we could work hard for six, seven or eight months, then make one submission.

Elizabeth Holt: It is not for the Commission to tell anybody in Scotland, including the Scottish Parliament and the Scottish Executive, how they should proceed. You do things as you wish. The Scottish Executive’s project predates all that we are discussing. It began to be talked about last November, when Margot Wallström came over for the meeting of the group of regions with legislative power—Regleg—at the end of the First Minister’s presidency of the group. She had just been appointed vice-president of the European Commission in charge of communication, therefore the idea of a communication pilot project arose.

The project has taken quite a long time to see the light of day. It was launched in the middle of April in Brussels, when the First Minister came over to visit Margot Wallström. I was in her office the day that they dealt with these matters. It is the Scottish Executive’s project, and it is very much up to the Scottish Parliament how much it wishes to be involved. I have not the slightest doubt that any contribution by the Scottish Parliament to the project would be welcome and valuable. The

Commission would be extremely happy to see the Scottish Parliament working on the project.

I do not know if it came out in the original press release but, on the day that we discussed the issue in Margot Wallström's office, it was clear from what she said that young people are a target group in terms of opinion. If you cannot communicate with young people these days, you have a problem politically.

I think that the Scottish Executive is hoping to organise some sort of youth event. I mentioned at the table that I had seen some of the events that have taken place in the chamber of the Scottish Parliament. I am thinking of the conference on the Commission for Africa report and other such debates. At yesterday's meeting of the European Economic and Social Committee, I found myself thinking again that the chamber of the Scottish Parliament is an excellent place to have a debate of the kind that I am proposing—indeed, it would be a fabulous place to have such a debate. Holding the debate in the chamber would also get the attention of Scotland. If there were to be a young people's event, it would be a marvellous opportunity for the Scottish Parliament to take part in some way. As I said, the decision about how much the Parliament wants to be involved is a matter for the committee and the Parliament.

Putting that to one side, none of the discussion should be seen in terms of a zero-sum game. Just because the Scottish Executive has happened to come forward with its pilot project, the Parliament should not think that it is precluded from doing something else. As I said, the pilot came out of political contact that took place in November 2004.

I would welcome a completely separate exercise involving the Parliament: there are things that a Parliament can do that an Executive cannot do. For example, MSPs are constantly talking to people and dealing with individuals as part of their constituency business. MSPs probably know better than anyone else in Scotland, including many journalists, what people are thinking about devolution, the Parliament and, indeed, the European Union. The committee could play a hugely important role in getting people's opinions, asking them to crystallise them and analysing the information.

As I said, there is no limit on the effort that can be put into the project—indeed, as far as the Commission is concerned, it is a question of the more, the better. The Commission is ready to help as far as possible on any initiative that the Parliament may have.

Irene Oldfather: It is difficult to follow on from that. Every other time that we have discussed plan D, I have done all the talking. Today, Liz has done

it all for me; you have made an eloquent case for plan D.

One of our reservations related to the focus of the Commission's initial communication on member states. You made it clear today that there is a role for regional Parliaments and Governments. When Commissioner Wallström spoke to the Committee of the Regions last week, I had an opportunity to speak to her afterwards. She made it clear that she sees a role across Europe for regional Parliaments. As you said, we are the tier of government that is closest to the citizens; we have a unique role to play in all this. You made the case very well.

I have a couple of observations to which you might want to respond. Obviously, communicating the message is very important, but I think that you said that listening is also important. I see a role for the committee in listening and feeding back to the Commission.

As a Euro enthusiast, I recognise that the vote in France and the Netherlands was a no vote. We have to take a step back, reflect and listen. I would have thought that people such as Mr Gallie would be queuing to sign up to plan D. He, and people like him, can tell us everything that we need to get right about Europe. I am sure that Phil Gallie will say that when he makes his contribution in a moment.

I hope that, if people are listened to, the right policies will follow on from that, as will a clearer identification of individual spheres of government and their role in the policy-making process. One of the criticisms of the Commission in the past has been that it has acted too much, although other criticism has been that it has not acted enough. It would be helpful for us to get a clearer indication of the spheres of policy making and where we all fit in.

I agree with what you said, Liz. I think that the devolution process in Scotland places us in a unique position because we have taken a new approach to decision making and policy making, and parliamentary committees and the Parliament have engaged in a new way with civic Scotland in our law-making process. We can perhaps bring in examples that we have shared with other regions that have visited us in the Parliament and have seen at first hand how we work. One example is our work with the Scottish youth parliament. You mentioned some of the work that you have seen in the chamber and the youth parliament is an example of that. This committee has also held a day in the chamber. We brought people in and said, "What is Europe for? You tell us." We actually put the outcome of that into our document on the future of Europe and communicated it to the Executive, the UK Government and directly to the Commission. Those are examples of ways in

which the committee could develop the debate. I therefore agree with your point about that.

I will finish on this point. I did not know until I came in today that you were leaving us, Liz. I want to thank you for your opening remarks and for your support over the past six and a half years. You, Dennis Canavan and I have been through everything with this committee. We appreciate and welcome your contribution. We also wish you very well in your new post in Paris. Perhaps we will bump into each other there—I hope so.

The Convener: I would not like to place a bet on which of you two would win if we had a competition. Before either of you start speaking again, I ask Mr Gallie to speak.

Phil Gallie: First, thank you very much, Liz. I have enjoyed our exchanges on Europe in recent times. If you have failed to promote Europe in the minds of the Scottish people, I cannot think of many other people who could enthuse them about it to any greater degree. I wish you well in trying to convert the French.

At the beginning of your comments, you offered a challenge when you thanked heaven that we had chosen to call it plan “D” rather than another letter. Having read through the document, I would say that “D” is a good letter if it stands for *drivel*. I regard the document as going down that line.

I could support the objectives if I honestly believed that the constitution had been killed off forever. Then I would believe that plan D had some real meaning and that the European Commission really wanted to hear the views of others. You suggested that the constitution is dead, but I hark back to a week ago when the President of the European Parliament was here. He suggested that the constitution is far from dead. He said that it had been laid aside but that it was to be considered again in the future. That indicated to me that the constitution would be resurrected.

Yesterday, Jack McConnell attended a Regleg meeting. He came to a conclusion that I have been driving at for ages, which is that without a European constitution, Scotland, as a regional Parliament, cannot have an input to the European Commission—that has been my argument all along. The Regleg agenda said that the constitution has in effect been laid aside—for the moment. If you want me to get involved in plan D, can you assure me that the constitution is dead and will not be resurrected?

Elizabeth Holt: You are listening to a dialogue that has already begun. I have given you my opinion as a Commission official working in Scotland and knowing what I do from contact with people and hearing views on the constitution. What I have said is my opinion on the constitution.

I do not think that there will ever again be reform of the treaties without referendums. We have seen that it will be very difficult to reform the treaties in the way that was attempted because some member state among the 25 will vote no. Therefore, there is a huge debate to be had about how Europe will work in the future.

The President of the European Parliament is a Catalan and I am sure that I do not have to tell Mr Gallie that Europe is seen differently in Catalonia. The European Union institutions are seen differently there, too, and the European constitution was probably recognised for what it was—just the next reform of the treaties, such as happened at Maastricht and Amsterdam. There was nothing qualitatively different about the document; it is just that, for various reasons, it got called the European constitution. The name of something can be quite misleading.

Mr Gallie should welcome the fact that an opportunity has arisen to hold a genuine debate in which we can talk about whether the constitution has been put on one side for the moment or is dead. Believe me, there are many people who agree with me, just as there are people who agree with Mr Gallie. Whatever debate about Europe we have, I hope that it will be not just a knee-jerk debate or a punch-up, but a constructive debate about how, in the future, the European Union can be of use to the millions of people who live in Europe.

15:30

Phil Gallie: I accept what you say, and I make just one point in response. In reference to the constitution, you said that the name of something can be quite misleading, but it was not the constitution's name that was the problem. For me, the contents of the constitution were what was difficult to accept. I think that you will agree that I have a little knowledge of the constitution's contents.

I take what you said in a positive way. One of the lessons that we must learn from what happened in France and Holland—which could happen elsewhere—is that the voice of politicians is not always the voice of the people. We must try to take the proposed dialogue away from those who are involved in politics and get it into the women's guilds, the women's institutes and the various church groups that hold discussions. The question is how we seek the views of the people who are involved in those organisations without allowing politicians such as Irene Oldfather and I to exert influence on either side of the argument and to force our wills on people. We need to obtain honest opinions from people; we want them to tell us what Europe means for them and what they want from Europe. How can we achieve that?

Elizabeth Holt: You tell me how we can do that.

Phil Gallie: I am asking you as an expert.

Elizabeth Holt: I could not agree with you more. Everything that has happened with the constitution has shown that there is a disconnection between what the political classes have been saying and what the people think; that was certainly true in France. I do not use the phrase “the people” ironically. Democracy is hugely important and it is vital that we listen to what people are saying.

Mr Gallie might be quite surprised by what is sometimes said about the EU in women's institutes. I have talked to quite a lot of women—I am a woman myself—and I have sometimes been quite surprised by the views that have been expressed. We should take the debate into new areas so that we can make the European Union something with which people in general, rather than just the politicians who go backwards and forwards between Brussels and the capitals, can identify.

Mr Wallace: I wish Liz Holt well in her future appointment and thank her for all that she has contributed during her six years here.

She talked about the big debate that was held on the 1975 referendum, but I remember that a big debate heralded the work of the convention on the future of Europe, which drafted the constitution. Efforts were made to connect with the people and the same sort of language that is being used today was used. As the Executive minister who had responsibility for European matters at the time, I met the committee's predecessor committee and received constructive ideas about how we might more effectively involve the people, most of which we took on board. We held a great launch, which was attended by the same people who always meet each other on European occasions, but that was not followed by an avalanche of mailbags brimming with ideas and the e-mails did not exactly buzz in. In fact, the initiative died a death. With the best will in the world, I have not heard anything today that persuades me that this plan will be any different. Can Liz dissuade me from that opinion?

Elizabeth Holt: One could be cynical. When I turn on the television at night, what I really want to watch is “Strictly Come Dancing”, not a discussion about the EU. If I think I am still at work, I will watch the discussion about the EU, but I am generally itching to watch something else. It is unfortunate that Europe has become a bit of a turn-off. I do not suggest that that will suddenly change overnight and that people will be gripped and will run up to each other in pubs to ask, “What do you think about the EU?” One cannot run a perpetual campaign, as I am sure you all know.

I hope that more people who have views about the EU, even if they do not know it, will get the opportunity to make those views known to people who are in a position to act on them and, in the end, to ensure that those views feed through into decision making and the policies that are agreed at European level. Irene Oldfather mentioned that.

The aim of plan D is not just to listen; it is to ensure that the sort of Europe that people want is the sort of Europe that they get. We have election campaigns for the European Parliament, but people are not terribly engaged. One aim of the plan might be to find out how to build that engagement, which might not be in the conventional way. It is up to the imagination of people whose job it is to connect with others and, in a sense, we are all in that game. The job is not to find out how to make Europe interesting, but simply to tap into people's engagement.

One just needs to take a holiday in the EU and fall sick to find out that one can get medical treatment whether one is in Poland, the Czech Republic, Spain or France. One can now get a health card—rather than a form from the post office—that will make it easy to be treated by a doctor in other EU countries. When one tells people that that is possible because of the EU, they might think that the EU has some purpose. The thing is to find ways of making that link in people's minds.

Dennis Canavan: I, too, thank Liz Holt for her assistance to the committee over the years and wish her well in the future.

My question relates to what we have just been discussing, but perhaps we can hear more specific suggestions. The general problem seems to be that too many people feel alienated from Government and politicians and the result is low turn-outs at elections and so on. That is a problem in many countries, but it seems to be a particularly acute problem in the European Union. Plan D proposes to listen to Europe's citizens. That is all very well, but how do we go about it? What opportunities will exist for an ordinary individual citizen to make his or her voice heard and what steps will the Commission take to encourage people to express their views individually and/or collectively? I am thinking in particular of someone who is not a member of any political party, the women's institute or any similar organisation, and is perhaps not inclined to attend the type of event that might be organised by the Scottish Parliament, the Commission or whatever.

How can such people be encouraged to express a view? If they want to express a view, how will they go about it? Will they have the opportunity to write to or to e-mail the Commission? Will there be a website? Many people in the Commission have political experience at elected level. Surely some

thought must have been given to the specific steps that the Commission will take to encourage people to respond in various ways.

Elizabeth Holt: Thank you for your kind remarks. That is a fair question. The Commission is going to do things, and representation offices such as mine will do things differently. As far as we can, given the size of the office and security concerns, we will open up to the public. Margot Wallström would like representation offices to open up to the public once a month, so that people can come and express their views. In Sweden, one of the EU information organisations—the new one called Europe Direct, which is going to be launched in the UK early next year—has a policy of responding to e-mails within 24 hours. Depending on the resources and how many staff an organisation has, that could be done. Representation offices must be much more responsive to public inquiries.

The Commission is also planning for commissioners to get out much more into different parts of the member states. The President and Margot Wallström will, together, visit all 25 member states as part of that exercise, to signal a change of approach. Like MSPs, commissioners are enormously busy and it is difficult to get them to spend any length of time anywhere. That said, I hope that, when they come to Scotland, people will come and talk to them. I hope that MSPs, members of the public and a range of people will make contact with the commissioners. It will not be me, but my office and similar places in other parts of the EU will organise many more events at which that kind of dialogue can take place. It is about facilitating expression of the different views that people have about the European Union.

One other thing is important to mention. Plan D is about beginning to talk more and to get people's views, with the emphasis on listening and going local. Margot Wallström is working on an important white paper on communication. It will be an ambitious white paper that will investigate how the Commission communicates, who the stakeholders are and whether the Commission is getting to the right stakeholders. It should be published in December. I hope that the committee will consider it, think about it and respond to it by telling the Commission who is in the game, who the actors are and what the issues are.

There are many things wrong with how we communicate politics, but that does not mean that we cannot start to do things in the right way. In EU terms, the white paper will be seminal. Plan D is relatively straightforward; it is just about a wider dialogue and a listening stance on the part of the EU institutions. The white paper will be a substantive document and I very much hope that the committee will respond to it.

15:45

Irene Oldfather: I said at our previous meeting, or perhaps it was the meeting before that, that it was absolutely vital that we respond to the white paper, so I am glad that you have mentioned that. Margot Wallström said that she hoped to visit Scotland early in the new year, so there may be an opportunity for the committee to issue a formal invitation to meet her to consider progress and discuss matters further.

On identifying how to reach people, one idea that I suggested to the committee was to have a short, sharp questionnaire. Might that be a way of getting to people? It would be a way of gathering information from people who, as Dennis Canavan said, might not feel confident about giving evidence at a parliamentary committee but who would be willing to fill in a questionnaire on the internet.

You are right to say that, just because we have had difficulties in the past, that does not mean that we should not do something again. I do not suppose that, a year ago, any of us would have imagined that the G8 summit and the work on poverty in Africa would have happened as they did. It is a question of mobilising people, particularly young people. They are the European citizens of tomorrow and what they think is important to the debate. I have always found young people to be willing to participate in such dialogue with the committee, so I hope that we can target our discussions towards that.

The Convener: I thank Liz Holt. I reiterate everything that members have said about our gratitude to you for your work over the past six years. I am sure that you will not be a stranger and that we will see you again.

Elizabeth Holt: I will not be a stranger. I am sure that we will meet again.

The Convener: We have talked around the issues before, and today's evidence has made much clearer what is expected and what we can contribute. I would like feedback from committee members on how they think we should progress.

My initial thought about Elizabeth Holt's evidence is that some things that we do here are quite good. There is a level of accessibility to this Parliament that people from other Parliaments and other parts of Europe and of the world seem quite pleasantly surprised at. Perhaps we should start off by considering what we do, and then go further and try to check out the effects of what we do. For example, I have been present when young people have given evidence to the Public Petitions Committee. How about finding out from them how they feel now about having engaged with the committee and what they got out of it? We have the Scottish Youth Parliament, as Irene Oldfather

mentioned, and perhaps we should be talking to people from it about how they feel they engage with us.

John Home Robertson mentioned before talking to schools. Irene Oldfather talked about a questionnaire, but we have to work out whom that should target. We have something to offer the inquiry that the Commission is carrying out, and I feel that we should be looking to compile a package of measures that we think would be of use to others. What do members think?

Dennis Canavan: A few years ago, not long after the committee was established, we ran an event in the old debating chamber up on the Mound. From memory, I think that the subject was the future of the European Union, and there was good participation in that debate. It was like a forum for people from organisations and for individuals, including young people from schools and colleges. It certainly gave people a great opportunity not just to visit the Parliament but to participate in a debate about the future of the European Union. I wonder if there might be merit in conducting a similar exercise at some stage.

The Convener: We could think carefully about the theme of that exercise and how people could engage.

Phil Gallie: If we were to go down the road that Dennis Canavan suggests, we would want to listen, not inject the views of either side. I would like it to be a kind of open forum that does not include people from the Commission or elected representatives. It should be for individuals to come along and give us their views of what Europe is all about, as they are at the moment, from a neutral position, based on their interpretation of the Community and not on ideas that they have picked up here or because they have been brainwashed by others.

I rather rudely suggested to Elizabeth Holt that the document should be called plan D for drivel. Irene Oldfather referred earlier to one of the reasons why I said that. Nation states are supposed to respond to the document by April of next year. If we genuinely want to know what people think and to get grass-roots opinions, with the greatest respect, I do not think that we are ever going to achieve that by April next year in Scotland, so how will we manage it right across Europe? Elizabeth Holt was right to say that the dialogue will continue on a longer timescale. It would be much more realistic if the document was based on that longer timescale. Getting rid of that date and being more realistic would be a starting point for me.

The Convener: I think that everyone was concerned about that. Liz Holt clarified that the date was a bit overambitious and erroneous. The

responses that we are talking about would be given in the longer term, from what we have heard today, which would seem to be more acceptable.

I like the idea of the chamber event almost being a starting point. It would not be about having the usual suspects or people who are likely to come with preformed ideas or who have picked up ideas along the way and are coming to regurgitate them.

Irene Oldfather: The last time that we did such an event in the chamber, it was successful and influenced the paper that we submitted to ministers. Jim Wallace referred to it earlier.

I recall that we made up posters for the event and had them put up across Scotland. Five ladies who saw the poster at a bus stop in Johnstone phoned in and asked for tickets to the event. We did have some of the usual suspects and there was an introductory panel who expressed views for and against Europe, but we reached a lot of civic Scotland as a result of that event. It was the first public event ever to be held in the chamber and it was generally recognised as having been a success.

We ran parallel events in different parts of the country and each of us undertook to do events in different geographic areas. It was a lot of work, I have to say. We just went out and spoke to people and reported back to the clerks.

For some people, coming to the Parliament is an issue because they have mobility problems. Dennis Canavan is right that we should be trying to ensure that people who come to the event are representative of the wider public. A questionnaire would be a good way of supplementing a chamber event. It would also not restrict participation to people in the greater Edinburgh or Glasgow areas; people on the islands could respond, which is the way we would like the debate to go.

There is an onus on the committee. We have already decided to do something, and we can structure an effective debate here. That was made clear to Margot Wallström last week in Brussels by representatives from European regions, city mayors and so on, who said that the D should stand for decentralisation. After all, now that we have a Europe of 25 countries and 500 million citizens, unless the Commission gets this right, we are not going to get our policies right. I have to say that Ms Wallström openly accepted that and expressed regret at not thinking about the matter before the document came out. She said that she would certainly take that dimension into account in discussions, dialogue and speeches from now on. After that, I was very enthused and felt that I had to come back to the committee to get everyone on board. I am glad that Elizabeth Holt has proved a helpful ally in that respect.

The Convener: We need a bit of clarity about what we are doing. Jim, can you give us some?

Mr Wallace: I am not sure that I can. I think that two options are emerging. First, we could do what we have previously discussed and produce something to submit as our parliamentary contribution to plan D. Secondly, we could be the facilitators of a response not even from civic Scotland but from Scottish citizens. That latter course has a lot to commend it. However, I am not sure that we can choose both options, because we will simply get things confused.

The Convener: I certainly think that things are a bit confused at the moment.

Mr Wallace: In previous discussions, we have wondered about how we can grasp something specific in this matter. I believe that Elizabeth Holt said that Margot Wallström is producing a white paper on communication, which would be different from plan D. If we put together a response to that white paper, it would not contradict our facilitating role in having a debate in the chamber, sending out a questionnaire or doing something else that allows us to hear Scotland's voices.

The Convener: We are still a bit confused about our objectives. Are we trying to find out what people think of Europe—which has been done before—or are we examining the things that we do in Scotland that people in Europe might find useful? Those issues are different. One is very big, but the other is fairly specific.

Phil Gallie: If we are going to have a dialogue with people, we should find out what they think and want. As Jim Wallace has rightly pointed out, it would help to separate out the two matters, and I support his proposal in that respect. We should keep to one side our efforts to find out what people think and want, and examine the white paper on communication when it is produced. Such an approach would allow the committee to discharge its responsibilities.

The Convener: Could we leave the white paper aside for a moment? I am trying to define exactly what we are trying to do, because the clerks need to know what we are thinking before they can work things out for us. We are still talking about two different issues; however, that does not mean that the committee cannot carry out two pieces of work. We can certainly examine the things that we do in Scotland that others might find useful, but we should not assume that what we do is brilliant and is loved by everyone. We should also check with the people at the other end whether what we have done has been effective and has engaged them. The first question is whether we can contribute anything to the wider debate in Europe about how things are done; the second, much bigger question centres on finding out what people think about

Europe. Does the committee want to look at both issues? The white paper on communication is a separate matter that the committee could track anyway.

Irene Oldfather: We should examine both matters. Jim Wallace is right to say that they are separate. As I said at our very first discussion of the matter, I would like to carry out a consultation with civic Scotland and, at the time, suggested that we could send out a questionnaire instead of inviting a lot of witnesses to give evidence to the committee. I think that Dennis Canavan's proposal of supporting that consultation with a chamber event is very good. Indeed, that approach has been successful before.

We have discussed the white paper before. It has not yet been produced, but we have already said that we want to respond to it. Indeed, when we see the paper, we might find that we are able to put a Scottish brand on matters such as transparency, accountability, decision making, law making and so on and explain our approach to them. However, until we see the shape of the white paper—which will be on not only communication, but, to some degree, better legislation—it is difficult to know. I do not see why we cannot do both. In responding to the white paper, we might take evidence from the Executive and others who have been involved in the Scottish dimension of legislation and decision making. The Scottish Executive states in its press release that in its contribution to plan D it intends to cover some aspects of Scottish decision making and where devolution has been a success in Scotland.

16:00

The Convener: We must ensure that we recognise that plan D is separate from the white paper; they are not one and the same thing.

Irene Oldfather: I think that we realise that.

The Convener: Fine. Let us ensure that we all know where we are starting from.

Dennis Canavan: I do not see the forum suggestion as completely separate from our response to the white paper. Some ideas may come up in discussions at the forum that we will want to pursue and incorporate in our response to the white paper. They are not completely separate entities; there is a potential overlap. It would be far too optimistic to imagine that a consensus would emerge on every issue in the forum—that would be impossible—but major criticisms or suggestions might emerge that inform our thinking on these important matters, and we might wish to convey those views to the Commission.

The Convener: I am happy to listen to everything that everyone is saying, but we have

talked about this at two meetings already, and everybody has said, "We don't want to do a major thing. It's got to be very small and focused." Now the committee is saying that it wants to cover every aspect. Can we work out a way to do that? Irene Oldfather came up with the idea of the questionnaire. We would have to work out what to ask, because we would not want it to be overcomplicated. Should we have a questionnaire for civic Scotland then, based on what comes back, have a public forum?

Phil Gallie: What is your definition of "civic Scotland"?

The Convener: That is the problem; it is a phrase that we bandy about, but I do not think that there is a definition of "civic Scotland". We could write to every community council and non-governmental organisation, but would we reach the people who are not already aware of what is going on? That is the problem. Perhaps we need to think about schools.

Phil Gallie: What are we talking about? We are talking about how we reach the people of Scotland. A session in the chamber will not capture the overall view.

The Convener: We have to do various things.

Phil Gallie: I go along with Irene Oldfather, because we might need to move into other areas. If I wanted to get a feel for what people thought, I would use the national media to advertise the fact that we are looking for opinions on Europe. The public could be given guidelines and a questionnaire, but then we should let them make their points. We could analyse the responses, put them in a big tub, rattle them around and pull out at random the names of those who will attend a gathering. That way, we will not know the opinions that we will get, virtually everyone will have a chance to register a view, and we will get the views of people from around Scotland. I appreciate that it is a massive task.

The Convener: Our aims are getting bigger all the time.

Dennis Canavan: It might be worth while contacting the Scottish Civic Forum. I know that it has a funding problem. Does it still exist?

The Convener: It will for a short while.

Dennis Canavan: It must have a database of contacts throughout Scotland. It would be worth finding out who is on its list.

The Convener: We can consider all those things, but it is still not absolutely clear to me what people want to achieve from this. We are talking a lot and coming up with good ideas, but what do we want the end result to be?

Phil Gallie: We want what the people in Europe who have put plan D together want: the opinions of the people of Scotland. Although I respect the Scottish Civic Forum, there is an element of the usual suspects about it, and I do not want that. I want honest views from people across Scotland, and that is what Europe wants.

Irene Oldfather: We need to learn lessons from what has happened in the past. When the referendum went to the people in the Netherlands and France, a view was expressed. We must learn from that. We need to know where people feel the problems are, what is working well, what is not working well enough and where people feel the benefits are. People often know a lot more about Europe than they realise. They go on holiday and use the European health card, which, as Liz Holt says, they can carry with them to give them access to emergency treatment. The European Parliament is considering safeguarding airlines and producing blacklists of airlines that do not meet the safety requirements. There are all kinds of benefits for everyday citizens and, yes, there are areas in which we get things wrong or do too much. Much of it comes down to the better regulation agenda, which is political-speak that citizens do not recognise. We should speak to citizens in ordinary terms and ask them what Europe is about for them, where it is going wrong, how it can do better and what they are looking for from government and from Europe.

The Convener: So we are talking about holding a series of events. We will have to think about how we can reach people who would not normally attend such events. We might find that out through a focused questionnaire, and we need to consider how that would get out there.

Irene Oldfather: We could use the website. Loads of young people go on to websites all the time. We could use the website and new technology.

We need to give the matter more thought; we cannot decide everything today. I would like the clerks to come back with a structured paper on the debate.

The Convener: Obviously, they would have to do that.

Irene Oldfather: I am sure that we would all be happy to have input to that. In my community, the churches are a great resource. I have regular dialogue with all the churches in my community and often use them as a base when I want to take soundings on things. There are all kinds of organisations in communities that we could use to get out to ordinary citizens. Constituency MSPs—and list MSPs, too—have organisations with which they can enter into dialogue, and which we can use as a resource.

The Convener: Okay. It is obvious that members feel quite strongly about the possible ways forward. Therefore, I ask members to fire off a quick e-mail to the clerks giving their views on how to proceed, rather than have the clerks try to formulate a paper from the discussion that we have had. We have gone a bit tangential at times—that is not like us, is it? Are members happy with that?

Members *indicated agreement.*

Transposition and Implementation of European Directives Inquiry

16:08

The Convener: The next item is very important. It is a reporter-led inquiry into the co-operation programme between Scotland and Ireland. We turn to consideration of the terms of reference for the inquiry, which we have asked Jim Wallace to carry out on our behalf.

Dennis Canavan: The co-operation programme is my inquiry, convener: the terms of reference for it have been agreed. Jim Wallace's inquiry is on the European directives.

The Convener: Oh, yes. I am terribly sorry. I saw the phrase "reporter-led" and automatically thought of you, Dennis—there you go. It is not Dennis Canavan's inquiry; it is Jim Wallace's inquiry.

Mr Wallace: We have discussed European directives—as per the paper that is before the committee—at our previous meetings.

The idea was that I would report to the committee having considered specific examples; we have had some fed in that will make for a good starting point. We could examine how those directives have been transposed in Scotland and compare that with the situation in other parts of the UK and in other member states, particularly those that have similar constitutional arrangements to ours, and identify whether there is any material difference and whether how we transpose directives in Scotland puts our businesses at a comparative disadvantage. Another dimension is the need not only to identify those things but to consider the principles and practice of transposition. We must also consider whether we in Scotland are acting in line with the principles of better regulation that have been adopted by the Commission. We may want to make recommendations to the Executive about how it writes explanatory notes and conducts regulatory impact assessments.

The inquiry is not just about transposition—enforcement is another key matter. We may well find that regulations in some countries are beautifully transposed and very detailed, but then widely ignored. I am not saying that that is the case, but the whole point of the inquiry is to identify whether or not that is the case. I propose to report finally in four to six months and to make an interim progress report. I also propose that we should put the inquiry's terms of reference on the committee's pages on the Parliament website, with a call for written evidence. The committee would

then be able to consider, in the light of findings that I report back, whether to undertake a larger inquiry on the subject.

Phil Gallie: I am quite encouraged, having read the paper. Transposition is the sort of issue on which I would like a full inquiry; Jim Wallace's paper certainly gives me confidence that he will come up with something that could be of considerable use in the future.

Dennis Canavan: I wish Jim Wallace well in his inquiry. The terms of reference are good, but I would like to make a suggestion. If he has time, Jim might want to examine implementation of a particular health and safety directive from the European Union. Although health and safety is mainly a reserved matter, there are implications for enterprise and for environment and planning matters, which are devolved. I have already spoken to Jim privately about that. The Health and Safety Executive seems to be using a strict interpretation of the directive—much stricter than other European Union countries. It has drawn up zones around chemical plants and has the power to call in virtually any application for development in the inner or outer zone around a chemical plant. That has implications for places such as Grangemouth. If Jim has time, he might want to incorporate that in his inquiry.

Mr Wallace: That is a pertinent point. The fact that we are dealing with reserved matters may make things slightly more complex, but the example that Dennis Canavan cited impacts on devolved issues, so there are a number of points that I would want to consider.

The Convener: Is there general agreement that we should proceed?

Members *indicated agreement.*

Pre and Post-council Scrutiny

16:14

The Convener: We come to item 4, which is our regular pre and post-council scrutiny. Are there any comments from members on the papers for this item?

Phil Gallie: Unfortunately, I have quite a few.

The Convener: We cannot just thank the Executive for the information provided, can we?

Phil Gallie: We can certainly thank the Executive; I have no difficulty with that, but I would like to comment on quite a few things. Would you like me to pick them up one by one or would you prefer that I ran through them all?

The Convener: I notice that there are three points on which we have not yet had responses, which is obviously not acceptable. If you want to run through the issues that you want to raise one by one, please carry on.

16:15

Phil Gallie: The first point is on annex B. I have some concerns about the registration, evaluation, authorisation and restriction of chemicals—REACH—policy. Members will find the reference below the better regulation section. My concerns are that Scotland's economic standing depends heavily nowadays on the pharmaceutical and chemical industries. What consideration has been given to the interests of those industries and to whether the REACH policy has affected them in any way?

Similarly, I can remember the time before I was an MSP, when I did a real job in industry. At that time, we got very much entangled in things such as the control of substances hazardous to health—or COSHH—regulations. I wonder how they fit in with the REACH policy. Although there is a degree to which the REACH policy is different from COSHH, the regulations were also directed at substances' effects on health. I accept that COSHH regulated the safety aspects of the use of chemicals, but I wonder where we stand in that regard.

I cannot make up my mind on the proposal to lay down rules on nominal quantities for pre-packed products. I do not know what the objective is: perhaps it is to save waste by regulating the way we wrap products, or to standardise the amount of any one item that can be sold. If the latter is the case, the implications could be considerable—I am thinking of the single elderly person who likes to purchase their food in relatively small units. The paper says that there are "No specific Scottish aspects", but that may not be the case.

Another point relates to the internal market policy. As we discussed the point earlier in relation to the Royal Mail, I will not waste time on it again at this point. I referred earlier to harmonisation of the laws and regulations on credit; my comments reflected on issues that may be raised again under item 6. All those things could have a significant impact on Scotland.

The Convener: Okay. I suggest that we write to the Executive about REACH—obviously Phil Gallie is concerned about it. I also suggest that we check out the question about pre-packed products. We need to find out exactly what the Commission means by the rules, consider what they are about and decide whether “No specific Scottish aspects” are involved.

Phil Gallie: That will do me fine.

The Convener: Does any other member have a comment on the paper?

Members indicated disagreement.

The Convener: My only comment is that three deadlines for sending information have been missed. We should point out to the Executive that we have noticed that and ask what caused the delays.

We move on to item 5 and—

Phil Gallie: On the second paper—

The Convener: Sorry Phil—I thought we were all finished.

Phil Gallie: On page 8, on the agenda for the transport, telecommunications and energy council, I note the paragraph headed, “Better Regulation: implementation and outcomes of the internal market for electricity and natural gas”. I apologise for taking members back to the European constitution, but you will remember the fairly controversial energy proposals that were built into it. At the moment, Europe does not have competence in energy. When we hear talk about the

“implementation and outcomes of the internal market for electricity and natural gas”,

I begin to see the internal market enveloping issues that we may not believe are in the EU's remit. Scotland and the UK in general have energy requirements that are quite different from those in other areas of Europe.

It would worry me considerably if we were to find that European regulation was going to hamper our gas and oil industries, as well as other elements of our energy market. I accept that this is a Department of Trade and Industry issue but, once again, it will affect Scotland in particular; we ignore it at our peril. We must find out what it is all about and make known our views.

The Convener: Okay—we can do that. Do you have any further comments?

Phil Gallie: I do not think so.

The Convener: It is so good to have you back.

Phil Gallie: I was going to comment on the maritime transport item, but I think that people will be fed up with my voice by now.

I will comment on the third railway package on page 17. There is an issue that has been dominated by a national interest in what I consider to be an area in which the internal market should be having an effect. Transport throughout Europe is an internal market issue, but it appears that the domestic situation in France is holding up progress. I put it to my pro-European colleagues that they should be jumping up and down about that and that it should not require a Eurosceptic to say that France is not playing the game.

The Convener: I shall take advice on what we can do about that. We will ask what progress has been made.

Phil Gallie: I was hoping that Irene Oldfather would offer her views. I am sure that she feels strongly about the matter.

Irene Oldfather: Normally that would be true, but I have spoken enough today.

Phil Gallie: Okay. It is great to be back.

Mr Wallace: I draw the committee's attention to one of the forthcoming councils about which the Executive has not given us information—the environment council on 2 December. Colleagues will note that under any other business at the end of the 17 October post-council report from the environment council, it was noted that a short paper on genetically modified organisms would be prepared for initial discussion. Parliament and the Environment and Rural Development Committee might be particularly interested in that. The absence of an Executive report on the agenda should not blind us to the fact that there might be quite an important item to discuss.

The Convener: Thank you. We understand that the Executive's report on the matter has just arrived. It will be circulated to members in time for the next meeting.

Sift

16:23

The Convener: Can I now move on to item 5?

Irene Oldfather: Oh, please do.

The Convener: I know that Irene has a lot to say on this particular item. It is our regular sift of EC and EU documents and draft legislation. Items of special importance to the committee have been flagged up. We have already considered the Commission's work programme. The sift will be passed on to all subject committees that have an interest in EU legislation. We will also pass the work programme on for their interest.

The second item that we have noted outlines the proposed establishment of a programme for employment and social solidarity—PROGRESS—which touches on areas such as social inclusion. I recommend that we forward that to our colleagues on the Communities Committee and the Enterprise and Culture Committee.

The final item is the strategy for simplification of the regulatory environment. That will be of interest to our colleagues on the Enterprise and Culture Committee, and possibly to Jim Wallace in view of his inquiry.

Is the committee agreed that we should refer those documents to the committees mentioned in the sift paper?

Members indicated agreement.

Convener's Report

16:24

The Convener: The final item of business today is the convener's report, which is much smaller than it was last time. There are three items to consider.

The first is a letter—which members will have read—from Lord Grenfell, chairman of the House of Lords European Union Select Committee. The letter updates us on how his committee proposes to develop its scrutiny of subsidiarity. He tells us that the Conference of Community and European Affairs Committees of Parliaments of the European Union—COSAC—has agreed to UK proposals that, under the Amsterdam treaty, national Parliaments should do more to scrutinise subsidiarity issues. He invites this committee to inform the Lords' and Commons' European committees of suggestions that we might have for European legislative proposals on which we would welcome subsidiarity and proportionality monitoring at whatever stage the legislation might have reached. We are also asked whether we would like to receive updates on COSAC's work in that area.

As members know, the constitutional treaty contains an early-warning mechanism on subsidiarity issues, which seems to be an alternative route.

We would wish to legislate nearer to home where appropriate, so I think that we would like to do as Lord Grenfell suggests, but it would be best to defer a reply because I hope to receive a detailed briefing on the matter when I am at the Parliament office in Brussels next week. We will thereby be able to explore all the implications and possible procedures. I would like to have that meeting, study Lord Grenfell's letter further, send a holding response at the moment, and then come back to the committee.

Dennis Canavan: We could then get round to abolishing the House of Lords in the interests of subsidiarity.

The Convener: I will do that on the Tuesday.

Phil Gallie: I agree with the convener and accept that we need more time. Were we involved in that conference of European committees?

Irene Oldfather: The conference is open to national Parliaments. In the past, Jimmy Hood's House of Commons European Scrutiny Committee has been supportive of, and has welcomed, input from our committee. However, Phil Gallie's question has been asked before by a number of the other big players in Europe, such as the Catalans, the Basque region and some of the

German Länder, who have been interested in contributing to COSAC. The Executive of COSAC has always resisted that because it does not want to extend involvement to regional Parliaments such as ours.

However, we can usually have input into the conference through the House of Commons and House of Lords committees. COSAC is a useful organisation that does a lot of useful work. Although I share Dennis Canavan's concerns about the democratic aspect of the House of Lords, the House of Lords European Union Select Committee does a lot of good work on Europe and has in the past been involved in scrutiny. I find Lord Grenfell's letter helpful.

I am sure it is opportune to reflect on how we can contribute more. More input to the legislative process is what we have been asking for—it is what we proposed to the UK Government during the future of Europe debate. I remember that when Jim Wallace was a minister we debated in Parliament how we could have early involvement in the legislative process. Although the European constitution has gone, this is a democratic element of it that we could hold on to in the United Kingdom. Not all member states will do that, but there has been an indication from UK Government ministers that they are willing to be supportive, and it is clear that the Commons and the Lords are keen to involve us.

Phil Gallie: I have a quick comment. Irene Oldfather used the words:

"Although the European constitution has gone".

However, the final sentence in the letter from the House of Lords is about the debate on the future of Europe. It says:

"This would in turn facilitate further decisions on the future of the Constitutional Treaty."

That committee suggests that the European constitution has not gone and that concerns me.

The Convener: Okay. I record that this committee asked formally for observer status at COSAC but was refused.

Dennis Canavan: Really?

The Convener: Yes. I understand that one of the reasons why we set up the network of regional parliamentary European committees—NORPEC—was so that we could network with other regional Parliaments.

Do I have the committee's agreement to seek further information about subsidiarity before we come back to it?

Members indicated agreement.

16:30

The Convener: The second item in the convener's report is interesting. It is to consider an update from the Scottish Executive about the proposed European institute of technology. Members will note in annex B correspondence on the subject between the Executive and the committee.

A copy of the letter that was sent to the minister by the convener of the Enterprise and Culture Committee is in annex C. Phil Gallie mentioned earlier that he was surprised by some of the responses. I was also surprised to read the Executive's letter because I have seen the responses that were received by Alyn Smith MEP from some of the institutions concerned. We did not get those responses in time to circulate them to the committee, but they were certainly positive, so I am surprised by the seeming contradiction.

With that in mind, the minister is coming to our next meeting to give us evidence on structural funds. Is the committee content to discuss with him the proposed technology institute and the associated correspondence?

Phil Gallie: Will you let us see the letters to which you referred?

The Convener: Yes. We have copies here. Although it was too late to circulate them to members, I wanted to have them here because they paint a different picture.

Mr Wallace: It would also be useful to have an objective note on what we think the Commission's position is on the proposal.

Irene Oldfather: I said at the previous meeting that all the communications so far from the Commission about the matter have suggested that no decision has been made and that the matter will not be decided on until the spring council meeting next year. In a way, we could be building up a head of steam for no reason if the spring council does not agree to go ahead with the institute. I gather that there is not universal support for the proposal.

I have absolutely no problem with asking the minister about the matter at the next meeting, but Jim Wallace is right that it would be helpful to get a clearer idea from the Commission about whether it is looking for support in principle at this stage or trying to identify locations for the proposed institute. We should find out how other countries are responding.

The Convener: The third and final item in the convener's report is to draw members' attention to my letter to the Scottish Executive on the agriculture and fisheries council that starts today and continues until Thursday. The letter asked what the Executive's baseline is for the

negotiations. I asked the Executive to assure us that that baseline would be fed into the UK view. Margaret Ewing was particularly worried that Scotland's views were not being properly represented by the UK. When we get the retrospective response, we might find out the respective positions of the UK Government and the Scottish Executive.

As there are no comments from members, I declare the meeting closed.

Meeting closed at 16:32.

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