

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Tuesday 12 September 2006

Session 2

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EUROPEAN AND EXTERNAL RELATIONS COMMITTEE 12th Meeting 2006, Session 2

CONVENER

*Linda Fabiani (Central Scotland) (SNP)

DEPUTY CONVENER

*Irene Oldfather (Cunninghame South) (Lab)

COMMITTEE MEMBERS

Dennis Canavan (Falkirk West) (Ind)
*Bruce Crawford (Mid Scotland and Fife) (SNP)
*Phil Gallie (South of Scotland) (Con)
*Mr Charlie Gordon (Glasgow Cathcart) (Lab)
*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 (Moray) (SNP)
Nora Radcliffe (Gordon) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Jane Morgan (Scottish Executive Enterprise, Transport and Lifelong Learning Department)
Trudy Nicolson (Scottish Executive Enterprise, Transport and Lifelong Learning Department)

CLERK TO THE COMMITTEE

Jim Johnston

ASSISTANT CLERKS

Emma Berry
Gerry McNally

LOCATION

Committee Room 4

Scottish Parliament

European and External Relations Committee

Tuesday 12 September 2006

[THE CONVENER opened the meeting at 14:00]

Energy Inquiry

The Convener (Linda Fabiani): Good afternoon, and welcome to the 12th meeting of the European and External Relations Committee this year. We have received apologies from Dennis Canavan, who is at the Enterprise and Culture Committee, and Gordon Jackson, who is likely to be late. I welcome a new addition to the clerking team, Gerry McNally.

I am suffering from a bad back, so if I assume strange shapes during the meeting please do not worry too much about me; I am perfectly fine in the head.

John Home Robertson (East Lothian) (Lab): We will be the judge of that.

The Convener: We continue consideration of the European Commission's green paper on a sustainable, competitive and secure energy policy. Members will recall that we agreed to respond to the energy efficiency section of the green paper—specifically on issues relating to heating, finance, public procurement and energy efficiency trading—and to hold a short inquiry. We took oral evidence on 23 May and at last week's meeting, and two Scottish Executive officials will give us evidence this afternoon, at our final session. Jane Morgan, who is head of the energy and telecommunications division, and Trudy Nicolson, who is head of the energy efficiency unit, are here to answer members' questions. I ask members to remember that, as officials, the witnesses cannot address any questions of a political nature. However, I am sure that the clerks will take note of any such questions and that we shall ask the appropriate minister to respond.

Irene Oldfather (Cunninghame South) (Lab): I begin with a general question. How will the Executive's strategy fit alongside or work in partnership with a European strategy on energy?

Jane Morgan (Scottish Executive Enterprise, Transport and Lifelong Learning Department): First, I wish to say that I started my current job last week so, although I have been mugging up hard, I am sure that I shall ask Trudy Nicolson to assist me on a number of occasions.

The European proposals on energy efficiency are entirely compatible with the steps that the Executive has been taking and those that it will outline in the forthcoming energy efficiency strategy. That strategy is, in a sense, a way of pulling together action taken to date—perhaps more explicitly than in the past—ministers' objectives, targets and other measures. We can go into more detail on some of those actions, but we do not consider there to be any incompatibility.

Irene Oldfather: When we took evidence last week, we discussed the idea of some kind of energy regulator in Europe to ensure that there is a level playing field. We were thinking about some of the difficulties that we experienced with energy supplies throughout Europe last winter. Would that be compatible with what the Executive is thinking?

Jane Morgan: It depends what you mean. Although the Executive may have a dialogue with the Department of Trade and Industry on the regulation of markets, it is a reserved matter. Our role is much more about the promotion of energy efficiency and, more widely, the promotion of the industries in an economic development sense. I am not clear what your proposal is, but it is not a matter on which the Executive would have a policy.

Irene Oldfather: Okay. I will not explore that issue further.

The Executive has been doing quite a lot in relation to fuel poverty. Is there a conflict between fuel poverty programmes and energy efficiency? Do fuel poverty programmes encourage people to use more fuel? Do you have any evidence on the current situation?

Jane Morgan: I am aware of some of the comments that have been made on that. We in the Scottish Executive Enterprise, Transport and Lifelong Learning Department do not administer the central heating programmes directly, but obviously we are aware of them and we want to ensure that they are compatible with energy efficiency. The general view is that central heating is a more energy efficient form of heating than many others. I have to confess that I am not sure whether we have precise evidence on that.

Trudy Nicolson (Scottish Executive Enterprise, Transport and Lifelong Learning Department): The fuel poverty programmes that operate in Scotland provide a package of support that includes a range of energy efficiency measures, such as cavity wall insulation and loft insulation. In our written evidence, we state that in 2004-05 the central heating programme resulted in an annual reduction in carbon dioxide emissions of approximately 41,500 tonnes. The fuel poverty programmes coupled with the energy efficiency measures lead to energy efficiency. We are

considering a pilot scheme for small-scale renewables, to try to encourage the use of a cleaner source of energy.

Irene Oldfather: I take it that the pilot will run over a period of time.

Trudy Nicolson: Yes. We will gather data over a two-year period and, if it is going well, we will roll it out.

Jane Morgan: I think that our evidence refers to predictions, so we might need to check the figures. Obviously, the evidence is accumulated after the event. Perhaps we will get back to you on that.

Phil Gallie (South of Scotland) (Con): I presume that you have a copy of the Minister for Enterprise and Lifelong Learning's response to the committee, in which he states:

"Scotland is colder, wetter and windier than the rest of the UK. It is generally cloudier, summers are shorter and cooler, and the high latitude of Scotland makes for very short winter days. This means that there are more days where heating the home is needed."

Is that a plea for climate change? I will get to my serious question now, but that comment amused me.

In paragraph 7 of his letter, the minister refers to the Carbon Trust and the Energy Saving Trust. My impression of the Carbon Trust is that it does a reasonable job and allows people to come together to find good ways of saving energy and ensuring efficiency. The Energy Saving Trust seems to be simply an advisory body. I would have thought that product manufacturers and suppliers would provide the kind of information that the trust offers, so it does not need to exist. Have I got it wrong, or is there merit in what I am suggesting?

Trudy Nicolson: The Carbon Trust and the Energy Saving Trust perform the same function, but for different sectors. The Carbon Trust provides advice largely to the business sector and public sector estates and buildings, whereas the Energy Saving Trust provides help and support largely to domestic users and to public sector housing. The Energy Saving Trust is much more about providing support and advice on behavioural changes that people can make in their homes to reduce their energy consumption and be more energy efficient.

Those are both United Kingdom-wide organisations. The Energy Saving Trust is involved with the Department for Environment, Food and Rural Affairs in the UK-wide market transformation programme to try to make electrical appliances and white goods more energy efficient.

Phil Gallie: We have no influence on the matter, but it seems that companies such as Scottish Gas, Scottish Power and Scottish and Southern Energy

offer such services as well. There is a degree of overlap.

The minister's written evidence gives figures on CO₂ emissions savings, and states that the central heating programme has achieved savings of 41,651 tonnes of CO₂. How does that compare with, say, the emissions from the aircraft that take off from Scotland each day?

Jane Morgan: I do not know. We can certainly search for the figure, which we have somewhere, on how much of the emissions comes from transport and how much comes from household use. I will come back to that in a moment.

On the previous point about potential overlaps, we want to look at the array of programmes to see whether there are overlaps and gaps. Obviously, there has been quite an accumulation of support over recent years, so that issue needs to be addressed.

On the aeroplane emissions question, we will continue searching our papers for the figure.

Phil Gallie: I do not need that answer today; I can find it myself. My real point is that it is pretty meaningless to provide that figure without reference to the overall factors. Some kind of comparison would have been useful.

Trudy Nicolson: Transport is always a difficult issue, but the energy efficiency strategy will focus, among other things, on influencing behavioural change in the transport choices that people make. For flights and big infrastructure projects, there is a balance to be struck between economic development and developing a sustainable economy. The national transport strategy will look at that side of things. However, the Scottish climate change programme has a commitment to examine the carbon proofing of all policies, so it will consider the net effect, both positive and negative, of policy. Instead of just counting the carbon savings of carbon reduction policies, it will look at all policies across the board. That work is on-going.

John Home Robertson: I want to deal with some more general points, so I apologise if we seem to be jumping around the issues. Has the Executive made any long-term projections on Scotland's energy requirements? How do those fit in with the proposals in the Commission's green paper?

Jane Morgan: I think that I am right in saying—Trudy Nicolson will correct me if I am wrong—that we have commissioned a piece of research to examine that and other issues.

Trudy Nicolson: Volume 5 of the Scottish energy study series will include projections to 2050. We are currently deciding on the mix of projections that should be included.

Jane Morgan: Essentially, the study will consider different scenarios rather than provide predictions.

John Home Robertson: We all understand that it is important to have long-term planning.

How important to the Scottish economy is our electricity generation industry, which supplies our domestic needs and provides electricity for export to the rest of the UK and Ireland?

Jane Morgan: I am not sure that I can answer this anyway, but is the question about the proportion of energy that is generated here?

John Home Robertson: How important is the electricity generation industry to the Scottish economy? I presume that the issue will be dealt with somewhere in the proposed study. How many jobs are involved in electricity generation? What is the industry worth to the Scottish economy?

Jane Morgan: I am not sure if we can break down the information specifically for electricity generation. We will need to get back to the committee on that.

John Home Robertson: Sorry, this must be very difficult for you if you have just come into the job.

Jane Morgan: We had expected questions specifically on energy efficiency.

John Home Robertson: I am sorry, but I was just going by the questions on our briefing paper. I will not pursue the issue in that case.

14:15

The Convener: Are you finished John?

John Home Robertson: I will ask one more question on the same theme. We have a growing population and a growing economy, and we hope that both will go on growing. Notwithstanding energy efficiency, is it not likely that demand for energy—specifically electricity—will also go on growing?

Jane Morgan: That is difficult to say. We are considering different scenarios to inform our view of how likely that is. We have not finalised the scenarios, but we are getting near to the stage of asking consultants to take work forward.

The factors that we are likely to consider include the very ones that you mention, which—all other things being equal—will increase demand. However, we are also considering factors that could reduce demand, such as the efforts to improve energy efficiency. We will be trying, if you like, to put the two sides of the coin alongside each other.

Trudy Nicolson: It will also be important to consider the sources of the generated electricity, for example by asking whether a renewable and clean source is okay as opposed to a source that requires the burning of fossil fuels, which will increase carbon emissions. There is a balance to be struck.

John Home Robertson: For all the good work that you and others might be doing to reduce energy consumption and achieve better energy efficiency, the nature of the modern world—with more high-tech equipment, evolving computers, increasing standards of living, increasing population, and so on—means that it will be difficult to balance efficiencies against demand, which is likely to increase. It would therefore be unrealistic to plan for a reduction in the use of electricity and other types of energy in the medium or long term.

Jane Morgan: I do not want to say whether it would be realistic or unrealistic. As Trudy Nicolson says, there are two things to consider—factors that could increase demand, and energy efficiency measures and the use of cleaner resources.

Statistics in the minister's written evidence—although I admit that they relate to new dwellings—show that the impact of the building regulations that are being considered will be quite substantial, and will result in emissions savings of between 18 and 25 per cent.

The Convener: In evidence sessions such as this one, people want to consider broader issues, to put matters in context. We therefore ask the minister either to come to the committee for a short evidence session or to respond in writing to the points that the officials feel they cannot or should not answer.

Jane Morgan mentioned building regulations. We have taken evidence on the European Union directive on the energy performance of buildings. Energy Action Scotland said that the Scottish Building Standards Agency is not working within the spirit of the directive, but is taking a minimalist approach. What is the Executive's position on that?

Jane Morgan: Without knowing why the agency is taking a minimalist approach, that is difficult to answer. There has been consultation and responses are being analysed. If people have expressed the view that you say they have, and if there is firm evidence behind it, it will be taken into account. However, I am not entirely sure what is meant by the general statement that you related.

Trudy Nicolson: The directive gets quite technical, but our understanding is that the Scottish Building Standards Agency is currently complying with articles 3, 4, 5 and 6. We also

understand that it has just consulted on articles 7, 8 and 9.

One of the biggest issues in relation to energy efficiency is certificates and how they will be displayed in public buildings, dwellings and so on. The results of the consultation have not yet appeared. The Building Standards Agency has already adopted the methodologies and requirements that are set out in the directive. We now need to consider the certification process and how we can use it to drive up energy efficiency.

The Convener: Will you look at the evidence that has been given and take on board what has been said?

Trudy Nicolson: Yes.

Bruce Crawford (Mid Scotland and Fife) (SNP): I appreciate that much of this area is reserved. The committee is interested in finding out what works and the Executive's view on the practical things that can be done. Earlier, Phil Gallie talked about Scotland being colder, wetter and windier than the rest of the United Kingdom, which is true. What practical things can we do to begin to make a difference both to fuel poverty and to the environment? Last week, we heard about a scheme in England that gives council tax rebates to individuals who have energy efficient homes. I understand that there is a problem with the legislation in Scotland. Does the Executive propose to examine the issue, as that is a practical step that we could take? If so, how might you go about changing the legislation—by statutory instrument, for example—to accelerate the introduction of such a scheme? That may not be in the Executive's bag and it may not want to do it, but I would like to find out whether it does.

Jane Morgan: I understand that a review of local government finance more generally is under way. We would like to see the review's broad conclusions before making specific changes. The issue you raise is on a list of measures for consideration, but only after there has been more progress with the review of local government finance.

Bruce Crawford: Unfortunately, we will have to wait a while. The answer is that you are awaiting the review's conclusions. We may not like that idea, and it is possible to accelerate some measures while reviews are on-going, but I understand the position.

Another practical issue is the Executive's buying process and how it can encourage energy efficiency through procurement. How can it encourage executive agencies, associated departments of the Executive and local authorities to be equally involved in that process, to stir up the market in energy efficiency? What proposals does the Executive have to improve the situation?

Jane Morgan: The main point on procurement is made in the minister's written evidence. Procurement guidelines emphasise whole-life costs and quality. The term "energy efficiency" is not used up front, but it is implied in everything that is said. Agencies should examine not just the cost when they are signing the contract for the product that they are purchasing but the whole-life costs, including any indirect costs that may be incurred by a particular purchase. They should consider much wider issues of sustainable development. The emphasis on whole-life costs and quality already requires people to consider sustainable development issues.

Bruce Crawford: I saw the line in the evidence to which you refer, which is a nice, wholesome thing to say. However, it does not give the committee an example of what the Executive has done by way of procurement, nor does it indicate the expected outcomes of such measures and the differences that they will make. It would be good if you could provide the committee with specific practical examples of measures that the Executive has taken or has encouraged others to take, so that they can be shared with everyone—not just with the committee, but with others who read our report in the future. I am not sure whether other members agree, but I would find it useful if you could provide us with practical examples of things that have already been done and changes that may be made in the future.

Jane Morgan: We could certainly do that. I cannot remember whether there are examples in the green jobs strategy, but we will look for some. I know that we have examples.

Bruce Crawford: I am sure that you have, otherwise the words in the evidence would be meaningless.

Jane Morgan: We take on board the value of case studies more generally as a means of encouraging behavioural change.

Bruce Crawford: I have one final question on the progress we in Scotland are making compared with other European regions or states of a similar size. Have you any statistics to show what the rest are doing and from which we could learn?

Trudy Nicolson: Are you talking in terms of energy efficiency?

Bruce Crawford: Yes.

Trudy Nicolson: I suppose we looked at the UK figures for energy efficiency.

Bruce Crawford: That is not necessarily the best example.

Trudy Nicolson: I am not aware of any specific statistics that compare us. We can find out if there are any.

Jane Morgan: It is difficult when considering the amount saved, because we start from a different baseline with different climatic conditions, as your colleague mentioned. We compare the means of assistance and advice with other areas, and although we are not in any sense complacent, we are in a reasonably advantageous position compared with England in terms of the advice that is offered to business, for example.

Bruce Crawford: Yes, but the colder, wetter, windier places do not tend to be south of us; they tend to be north of us or across the North sea. It might be good to get examples from there.

The Convener: Last week, we took evidence from a representative of the Scottish energy officers network—I cannot remember the chap's name—and he said that sustainable procurement measures in local authorities are very much voluntary rather than mandatory, which he felt meant that not enough action was being taken. What are the Executive's views on that?

Jane Morgan: As I understand it, local authorities are not bound by the guidance that is given to the Executive and its agencies. In a sense, local authorities themselves are responsible for ensuring best value, which I assume encompasses this whole area. That applies to other procurement considerations, not just to energy efficiency. We might want to discuss that further with colleagues who are responsible for local government. I do not think that I can give a specific answer on that, other than to say that it reflects the general relationship with local government.

Trudy Nicolson: The central energy efficiency fund was set up to encourage energy efficiency within local authorities. It was a bit slow to start, but it is in its second year now. We try to provide the funding, advice and information to help local authorities make a change, but there is no mandatory requirement at the moment.

The Convener: Does the fund give any incentives as well as advice?

Trudy Nicolson: It is a revolving loan fund, which local authorities administer themselves. The money goes into the pot and local authorities invest it in energy efficiency measures. If they make any financial savings, they can reinvest them in front-line services or whatever they wish.

The Convener: We took evidence on that; it sounds familiar. Perhaps you could give us a note of how many local authorities have taken advantage of that fund.

Trudy Nicolson: All 32 of them received an allocation.

The Convener: How many have used it?

Trudy Nicolson: They are all using it. They are at different stages—some are more advanced than others—but all the local authorities are using the money. Most of them have committed it; a few are perhaps halfway through their allocation.

The Convener: Would members like a background paper on that from the Executive?

Members indicated agreement.

The Convener: That would be useful.

Mr Jim Wallace (Orkney) (LD): Written evidence has indicated that an evaluation is being conducted at the moment and that it is due to report in November 2006. Is that right?

Trudy Nicolson: Yes.

Mr Wallace: Is there a suggestion that that might be extended to higher education institutions?

14:30

Trudy Nicolson: We want to reconsider whether the central energy efficiency fund was set up in the best way possible; for example, we are concerned that some local authorities have had difficulty spending the money. We are now comparing the fund with other funds, such as the Salix fund, which is connected to the Carbon Trust. That is a local authority fund that operates in England. Salix is currently running a pilot that it has opened out to higher education institutions in Scotland, five or six of which have expressed an interest in joining. We will wait for the evaluation of our fund and the results of the Salix pilot before we move forward. There are differences between the Salix fund and our fund, such as the levels of funding and so on.

Mr Wallace: I might be missing something. Who or what is Salix?

Trudy Nicolson: In effect, the Salix fund is the Carbon Trust's version of Scotland's central energy efficiency fund.

Mr Wallace: You will be aware that, during the summer, there was a VAT determination that the Energy Saving Trust has found was not to its advantage. I appreciate that you have no brief for the Treasury, so I am not going to ask about that. However, I am aware that, following that, representations were made to the Scottish Executive on whether there was any chance of making good any of the shortfall in income. Have you been able to evaluate any consequences or impact on the work of the Energy Saving Trust as a result of the VAT ruling, and has it been possible to identify any additional support for the Energy Saving Trust?

Trudy Nicolson: The Energy Saving Trust is a United Kingdom-wide organisation. It gets most of its funding from the Department for Environment, Food and Rural Affairs, some of which is for UK-wide programmes. In accordance with decisions that were made with DEFRA, spending on UK programmes such as the innovation programme, and on UK-wide marketing, had to be cut.

In Scotland, we were able to find efficiency savings across the programmes that are run here, which meant that there were no significant impacts on any of the programmes. For example, the local energy support programme was cut completely in England but, in Scotland, although we have had to cut some activity, we have not had to cut any of the posts or the key activities. In this financial year, there will be little impact on the work of the Energy Saving Trust. Next year, obviously, we will have to review that because the trust will be subject to VAT. We review the work plan every year in any case, so we will undertake to ensure that what we get from the organisation delivers the same carbon-emissions savings.

Mr Wallace: The Scottish Executive supports the work that is done in Scotland by the Energy Saving Trust and the Carbon Trust. Is that support given directly to those organisations' Scottish operations or do you send money to London that is thereafter remitted to Scotland?

Trudy Nicolson: The finance departments of those organisations are in London.

Mr Wallace: So the Scottish Executive sends money to London and that money comes back up. Is that right?

Trudy Nicolson: The budgets are held in London. The Scottish staff have a ring-fenced budget, but the finance people are in London.

Mr Wallace: Have you taken steps to ensure that the people of Scotland get full value for the contribution that the Scottish Executive makes and that there is not a proportion of that money being creamed off for administrative purposes? It seems to me that there is an element not of double accounting but of double dealing.

Members: Oh!

Mr Wallace: I meant that in the literal sense, not in any other: there are two transactions instead of one. Perhaps "double handling" is the best phrase.

Trudy Nicolson: We fund the activity and the associated overheads of that activity in Scotland. Some of the evidence from the Carbon Trust shows that we benefit a bit more than we should from UK-wide and English funding and activity. Scotland gets better value than it should for the money that it puts in.

Gordon Jackson (Glasgow Govan) (Lab): We are better off in the union.

Mr Wallace: Absolutely.

The Convener: We are not going there.

John Home Robertson: You are there.

Mr Wallace: Let us move on. Some of the evidence that we have received suggests that there is a distinction between energy efficiency and energy conservation. I understand the distinction, but it is not one that I have ever made and I do not think that the minister makes it, either. In paragraph 7 of his written submission, he talks about

"investments in energy efficiency improvements, including those technologies which reduce the amount of energy used to heat a building."

I would have thought that that would be energy conservation. Do you find it a useful distinction to make, or do you think that it is splitting hairs?

Jane Morgan: I do not know—it is not yet a distinction with which I am familiar, but I do not think that we are planning to use it in the energy efficiency strategy.

Trudy Nicolson: I think that it is about being more efficient and about reducing energy use.

Mr Wallace: The distinction just seems to have emerged and I wondered whether it was one with which you are familiar.

Trudy Nicolson: No.

Mr Wallace: You just get on with the job.

Paragraph 2 of the minister's written submission talks about the consultation on the Scottish planning policy. It states:

"This consultation asks for views on adopting 10% as a minimum policy standard".

I am not sure what that is 10 per cent of.

Trudy Nicolson: The question that is being asked is whether 10 per cent of the energy that is used in new developments should come from renewable sources.

Mr Wallace: Is the Scottish planning policy, like the warm deal and the central heating scheme, the responsibility of the Minister for Communities? You are from the Enterprise, Transport and Lifelong Learning Department, and I have heard the Minister for Environment and Rural Development discuss energy efficiency strategies. Can you clarify for us the procedures for co-ordination between the different departments?

Jane Morgan: Trudy Nicolson may want to elaborate on this. The procedures are largely the same as the procedures in other areas. We have lead responsibility for the subject overall, but to achieve energy efficiency requires collaboration with colleagues who are responsible for planning, building regulations and—as has been said—

procurement. There are many exchanges between officials in the departments, and ministerial discussion involves several ministers. We also have a steering group for the strategy.

Trudy Nicolson: Yes. There are several internal working groups. There is an energy efficiency strategy steering group, which is made up of senior officials from the various relevant departments, and there is a group that considers sustainable development in the built environment. For various bits and pieces of work—reviews and consultations that we carry out—we have ad hoc groups that get together to discuss the policy implications for each of our areas. We do talk to one another. We also have a lot of interaction with the climate change team and the sustainable development team.

Mr Charlie Gordon (Glasgow Cathcart) (Lab): I am interested in how we are examining building standards from the point of view of improving energy conservation, energy efficiency and safety in the home, which is another matter. Building management systems have a great deal of potential in that area. Does the Executive have a view on, for example, smart metering as a more dynamic building management tool? If so, do you foresee any barriers to the rolling out of smart metering in the private and public sectors?

Trudy Nicolson: Several pieces of work are going on around metering. If smart metering were to become mandatory rather than voluntary, the matter would rest with the UK Government. The Office of Gas and Electricity Markets recently produced a report on smart metering, and the DTI is considering a pilot scheme involving different types of smart metering. There are lots of different types of meters and the DTI needs to know which meters would be most appropriate. It is considering different types of technology. The DTI is also about to launch a consultation on smart metering and billing.

The difficulty is in deciding who will bear the cost of smart metering. Will it be the consumer or domestic user? How much will the units cost? To roll out such metering across the UK would be expensive if the Government were to have to pay for it, so we are working with the Department of Trade and Industry and with the Department for Environment, Food and Rural Affairs to see what they come up with.

Mr Gordon: The case is arguable either way. You could take the view that metering is ultimately about regulation and is therefore a UK reserved matter, but you could also say that we are talking about our devolved responsibilities for energy conservation and energy efficiency, so metering could be seen as a tool for assisting with those devolved objectives.

Jane Morgan: As Trudy Nicolson said, if smart metering was a requirement, it would be understood as being regulation. There are obviously areas in which one can promote the use of smart metering, but if it was a universal requirement, or a requirement in certain sectors, it would be a reserved matter. Even if there are other arguments for doing it, that would still be the case; it depends on whether it is required or voluntary.

Trudy Nicolson: We are interested in the results of the various pilots, which could provide evidence that smart metering is better than existing forms of metering. I know that South Lanarkshire Council is carrying out a smart-metering pilot at the moment. The results of that project will show us whether it would be a worthwhile investment.

Mr Gordon: So there are pilots north of the border?

Trudy Nicolson: Yes—individual local authorities have been able to do that if they wanted to.

Bruce Crawford: Charlie Gordon has raised a reasonable point. The Executive is responsible for renewable energy and for the promotion of such energy in Scotland, so it tries to promote the development of wind farms, which link into the wires. The wires might be at a different stage, but smart metering is a process that, if used properly, can be quite effective in helping to reduce energy use and to develop the use of renewable energy sources in homes. I cannot see why, in those circumstances, smart metering has necessarily to be a reserved issue, because it can help with the promotion of renewable energy.

Trudy Nicolson: Smart metering would be reserved only if we required people to do it. If we were asking people to do that, the question would come down to who would pay for it. Because there is not yet proof of which technological route is the best one to go down, we are not sure at the moment about the value-for-money aspect of such an exercise.

Bruce Crawford: So, if it is about promotion and encouragement, there is no problem, but if smart metering were statutory, and were therefore regulation, it would be reserved. I understand.

Jane Morgan: There are many areas where we have used the promotional tool.

Phil Gallie: Although we have concentrated on energy efficiency today, the fact is that the European paper is looking at secure energy policies—John Home Robertson referred to that. I would like assurance from the Scottish Executive Enterprise, Transport and Lifelong Learning Department that it is looking far wider than this

committee is. The main principle behind the European Commission green paper is to ensure sustainable supplies of energy to Scotland into the future. Are you confident that what the Scottish Executive is doing now will effectively guard Scotland's corner in ensuring that we will not run out of gas or oil in the future?

The Convener: You do not need to answer that.

Phil Gallie: I seek that assurance from the minister, if nothing else. I am conscious that it has been unfair on you two ladies today that you have had to field our questions. There are many other questions that I would have liked to ask the minister, but he is not here. I look to the minister to respond.

The Convener: Can I say something? First, the question is probably an unfair one to put to officials. It is also unfair on the committee that the minister did not come before us. I suggest that we end the evidence-taking session and hold a short discussion on where we go from here.

14:45

Jane Morgan: Can I make one point?

The Convener: Yes. If you want to commit yourself on the record, Jane, please carry on.

Jane Morgan: I will not answer the question directly, but it is important that the committee understand that, for the team that deals with energy in the Executive, a number of strands are involved. Obviously, energy efficiency is involved, as is the need to deal with consents for renewable energy. The promotion of renewable energy for energy reasons and for potential economic development is also involved. We also input to UK discussions on energy policy, energy supply and security of supply. Considerable activity takes place on inputting to those wider discussions.

Phil Gallie: Thank you very much.

The Convener: I thank Trudy Nicolson and Jane Morgan for coming before the committee today.

Jane Morgan: Thank you.

The Convener: We need to address two things. First, we must have our report on evidence on the energy efficiency aspects of the green paper by 26 September. I ask committee members to give the clerks some guidance, because that will help them to formulate the report.

Secondly, it is perfectly understandable that wider issues arose from our discussion with officials. I sense some dissatisfaction among committee members on where our evidence taking fits into the wider picture. In addition to getting out our response to the green paper, which will focus

on energy efficiency, I suggest that we ask the minister to come before us for a separate meeting on general energy issues and the wider remit of the paper.

John Home Robertson: Would there be any value in involving another committee, convener? After all, we are the European and External Relations Committee.

The Convener: The consultation paper is a European document. It is perfectly valid for us to consider it.

John Home Robertson: I would love to have a go at the minister on this one.

The Convener: I am not asking members to have a go at the minister, John. I am asking you to agree to invite the minister to come before the committee to inform us.

John Home Robertson: I would love to have that opportunity.

Irene Oldfather: We invited the minister to come before the committee today. The situation is a little bit frustrating. We agreed to meet two weeks in a row in order that we could complete the inquiry and accommodate all the evidence taking. We went out of our way to timetable an extra meeting at which the Executive would give evidence. I understand that we offered both dates to the Executive, although I ask the clerks to correct me if I am wrong on that. It is regrettable that we are where we are on this—

The Convener: If I may, I will interrupt you there, Irene. The Executive agreed to send a minister to the meeting today, but changed its mind.

Irene Oldfather: That is not a helpful situation, but we are where we are. We issued an invitation and the minister was unable to attend. I am not sure whether we should issue a second invitation. Perhaps we will simply have to write up our report in the absence of the minister's evidence.

The Convener: The reality is that, if the minister's evidence is to inform the report, he will have to come before the committee at our meeting next week. The second question is whether we carry on and do the report on the basis of the evidence that we have taken so far, and ask the minister to come before the committee to discuss the wider issues.

Phil Gallie: One has only to look at the green paper to see why we picked it out. It is a huge consultation paper, with massive implications for Scotland and the UK. In terms of the wider issues, one can also see the implications for Europe in terms of trade and the power industry. In talking about energy efficiency and energy conservation, we have skirted around the edges.

One of the reasons why I asked about CO₂ tonnage was to demonstrate that it is but a minute aspect of the topic. As helpful as last week's and this week's information is, we do not have anything of value about which to write a report.

The Convener: Let us bear in mind that we have to respond to the consultation by 26 September, and that the minister should within a few days respond in writing to all the questions that have been asked today. That should properly inform our response. If we are to respond to the consultation, we must do so on the basis of what we have learned so far and what we will receive from the minister in the next week. The question is this: do we wish the minister to speak to us about the green paper in general?

Mr Wallace: I hear Phil Gallie's point, to which I am not entirely unsympathetic. However, when we decided to focus on energy efficiency, we were conscious of the temptation to range more widely. Although it would have been fascinating to do so, that was not possible given our timescale, which has become more evident as we have gone along.

I would love to spend more time looking at wider energy issues, but we have to relate our consideration to the remit of the committee—it must be rooted in the European consultation. There is no doubt that it would have been better to have had the minister here today, but I am not sure what we would gain by having him discuss with us wider energy issues. We are against a deadline; if we open up wider issues with the minister, it could be argued that many more people should also be invited to give us evidence.

Bruce Crawford: I agree with Jim Wallace. It is clear in paragraph 2 of the clerk's paper that our remit is to examine energy efficiency issues. Jim Wallace alluded to the long discussion that we had at the beginning of the inquiry in which we discussed other areas that we could cover. We accepted that we had to focus on energy efficiency or we would not get the job done. I am not sure whether it is the committee's responsibility to undertake a wider job, given the remit that we have set ourselves.

It was singularly unhelpful of the minister not to turn up today. I am now left uncertain about the Executive's future direction in a number of energy efficiency areas. Although the Executive makes wide-ranging policy statements about its intent, there is not much below that level that we can use to put together a constructive report on energy efficiency as it affects Scotland, or how we would like matters to progress in the European context. I ask whether we would get any more value from waiting for the minister to come before the committee.

I am all for making trouble for ministers; we should write to him and say that we are unhappy that he did not turn up, which was incredibly unhelpful, because he could have helped us to reach a reasonable conclusion in our report. My concern is that the end of the report will now be weaker than it would otherwise have been because the minister was not here to go into some of the nitty-gritty.

Phil Gallie and John Home Robertson got stuck into energy policy and production issues. I would love to be able to get into that discussion because we need to talk seriously about such matters. However, when we consider the remit that we set ourselves, I do not think that we will be able to do so.

The Convener: I clarify that we require a draft response to the consultation by 26 September. We can strongly request that the minister respond to questions that were asked today in order to inform that draft response, which will have to be agreed at the meeting on 26 September.

John Home Robertson: I agree with colleagues that we are where we are whether we like it or not. I want to be clear about whether it was understood that the minister was to come and give us evidence.

The Convener: Yes. The invitation was accepted; that acceptance was then withdrawn for whatever reason.

John Home Robertson: The Executive sent an official who has been in post for one week to answer questions. That raises questions and was not fair on the official.

Mr Wallace: She was a very good official.

John Home Robertson: I meant no criticism of her, but to send an official under those circumstances to answer questions on a matter of such importance to a committee of Parliament, when the minister could and should have been here—leaving aside the politics—is not clever and it will not do.

Phil Gallie: I do not know what we are going to report on. I accept that it will be a narrow report, but in the past couple of days we have heard about energy efficiency trading certificates, microgeneration, CO₂ savings, planning systems, building regulations, and transport usage, which the Minister for Enterprise and Lifelong Learning reflects upon in his submission. We do not have answers on any of those subjects, yet they are central to energy efficiency and conservation. We have clues about them all, but no answers.

The Convener: When we decided on the remit for the inquiry, we had to tighten it up, so we decided that transport would not be included.

I am picking up general dissatisfaction with what has happened with regard to ministers' coming to give us evidence. The Executive and the appropriate ministers will read the *Official Report*. I think that they will be left in no doubt about how the committee feels. I suggest that, when the clerks write to the ministers to ask for responses—very quickly—to the points that could not be answered today, the tone of what will be in the *Official Report* should also be conveyed in the letter.

Bruce Crawford: You should write, as the convener of the committee, to express your disquiet.

The Convener: We will hear from Irene Oldfather and Jim Wallace quickly, but I would like to wrap up the current item because we have a lot to get through.

Irene Oldfather: I do not disagree with anything that you said, convener. We should remind ourselves that we are responding to a European Commission green paper. I take on board some of the points that Phil Gallie made, but the inquiry is an opportunity for us to say, "Look, here are some of the things that we're doing in Scotland." We asked for some examples of best practice and the officials told us that they would try to identify some of the pilot schemes and provide information and statistics on those. We could perhaps use that information.

The report will be different from some of the other reports that we have published, in which we have asked the Scottish Executive to do X, Y and Z. It will not be that type of report. We will be saying, "Here is the submission that the Scottish Parliament European and External Relations Committee would like to make to what the European Commission is doing." That is my interpretation of the inquiry, within the limited scope that we agreed in committee in the early days.

Mr Wallace: I have two points. First, I do not want to anticipate the debate and discussion that we will have on the report, but we might want to recommend that the appropriate committee consider energy, probably not in the current session but in the next session.

Secondly, if we are to write to the minister or his department, it would be useful to ask for a short paper—even two, three or four paragraphs—on the devolved-reserved split in relation to energy efficiency. In both the minister's paper and some of the answers, we were told, "DEFRA is responsible for that," or, "That's a regulatory matter and we do not deal with it." I do not dispute that that is the case, but a short paper on that might help us to identify where best to direct our recommendations.

Bruce Crawford: For the sake of the clerks, I am not sure that they should put a huge effort into the report. It could end up being many pages long. We should try to pick out the highlights and put as light a weight as possible on the report. Like it or lump it, we have not managed to complete the inquiry satisfactorily, so it will not carry much weight. Let us treat it as it should be treated and save the clerks from too much aggravation.

The Convener: I would not like to think that anything would go out from the committee that did not adequately reflect the evidence that we took. That is what the clerks pick up on and what they use.

Bruce Crawford: I am not saying that they should not adequately reflect the evidence. I was talking about the amount of material that they should include.

The Convener: I suspect that the report is almost ready to go—the clerks are efficient—and that there is not an awful lot more to be put in, except what we heard today and what will come back from the minister.

Irene Oldfather: I agree with part of what Bruce Crawford says. We should keep the report short, sharp and well focused. Rather than being 25-pages long, it should be a short, sharp submission. I agree with the convener that people have given their time to write to us and to come along and give evidence. It is important that we consider that when we present our views, but we should keep the report short and not burden the clerks with an enormous amount of work during the next week. It would be helpful if committee members could see a draft early on. That way we could submit comments to the clerks in advance of the meeting. If we have to agree the report at the meeting, we must have a clearing system for any major comments ahead of time.

The Convener: Bearing in mind that the timetable is tight, the clerks will find the best way—as they always do—to communicate with committee members. Can we finish the discussion at this point and move on? I hesitate to ask whether everyone is content because I can see a lot of grumpy faces—apart from mine, of course.

Transposition and Implementation of European Directives Inquiry

15:00

The Convener: We move on to item 2. What has it been called? Is it the Jim Wallace inquiry?

Gordon Jackson: The Wallace report.

The Convener: Yes—the Wallace report. We will have an update from Jim Wallace on his reporter's inquiry into the transposition and implementation of European Union directives. I ask Jim to speak to his paper, EU/S2/06/12/2.

Mr Wallace: Thank you, convener. This has shades of the previous discussion as it is an issue that I felt I had to narrow down, otherwise it could go on for ever. It is like a Russian doll, in that when you think you have got to the bottom of it there is another layer. That is reflected in some of the written submissions, a synopsis of which is attached to my paper.

Paragraph 11 of the update paper is headed "Interim Findings", but it would perhaps have been fairer to put "Interim Questions", because there are a series of issues on which there are conflicting views.

A specific section deals with the drinking water directive. There was an outcry from a number of quarters when it was introduced, partly because of the speed with which people were asked to respond to it, but when I looked into the matter I discovered that it was already several years late. That raises issues about what people are being asked to do and how much lead time they are being given when we are already running behind time. In some of the detailed legal analysis of the directive, there are also arguments about whether the directive goes as far as it ought to. Sometimes the opposite of gold plating may take place. My point is that the issue is by no means straightforward, which is why it has perhaps taken longer than expected to get to where we are now.

Visits are now arranged to two other European Union countries. I want also to visit stakeholders in England to identify whether there are differences within the one UK member state and, if so, what lies behind them.

I mention my gratitude to Professor Page, who has given me legal advice on these matters. I will make a proper interim report to the committee and perhaps invite it to take oral evidence on the basis of the interim findings, with a view to the final report being published in late February or early March, before Parliament dissolves. One recommendation is likely to be that our successor

committee might want to explore certain issues in the next session of Parliament. There are a host of issues that I do not think we would do justice to if we tried to cram the work in, but we could perhaps flag up some of them.

The Convener: Members may now comment.

Irene Oldfather: I thank Jim Wallace for his work. His paper is interesting and raises several issues. I am particularly interested in paragraph 13, which indicates that

"A number of respondents suggested that there is a need for comparative analysis ... across the members states in order to address the issue of 'gold plating'."

Mr Wallace: Do I have a different paper?

Irene Oldfather: I am referring to paragraph 13 of the annex.

Mr Wallace: Paragraph 13 of the annex. Sorry. I was looking at the main report.

Irene Oldfather: I was quoting from the summary of the written evidence.

I assume that that means analysis of states other than Ireland and Denmark, which are the countries that you will visit. Such comparative work will be a difficult task and you might already have given some thought to the matter, but it occurred to me that one way of doing the work might be to analyse European Court of Justice decisions or infringement proceedings that the European Commission had started against various countries in relation to the directives—although some of that might not have happened yet or might be in the pipeline. A way might exist to identify in the system Commission action that is proposed in relation to directives. That might be an easier way to track developments; otherwise, working out how to do an analysis across 25 member states will be difficult.

Mr Wallace: The work is proving particularly difficult, not least because of the need for translation, which is a genuine issue and means that it is not straightforward even to find out how the Greeks, for example, implement and transpose directives.

Professor Page is doing such work as best he can. He is having particular regard to the situation in the British isles, but I could suggest to him that if relevant European Court of Justice cases have taken or are taking place, he might consider them, if he has not done so off his own bat. The suggestion is good. As I said, Professor Page has done some of that comparative work.

Irene Oldfather: One or two of the directives that are listed are from 2006, so the suggestion would be difficult to apply to them, but one or two are from 2003, which was three years ago, so member states might have been taken to court by

the European Commission if they have not adequately transposed them. That might be worth a look.

Mr Wallace: The idea is helpful.

Phil Gallie: What I will say is more or less along the lines of what Irene Oldfather said and concerns paragraph 13 of the summary of written evidence and the first comment about where you will go from here. I congratulate you again; I recognise that you have a massive task, to which you have stuck manfully. A huge workload lies ahead of you.

Mr Wallace: I think so.

Phil Gallie: I will back up what Irene Oldfather said. You selected Dublin and Copenhagen for visits because they are in countries in which you are interested. A couple of years ago, the committee received a paper on the transposition and implementation of directives, from which I remember pointing out with some joy that the rate in countries such as France, Germany and Italy was running at about 40 per cent, whereas the rate in Denmark and the UK was up at about 80 or 90 per cent. Will you pick out a country whose record is not as good? That would fit in more with public perception and might benefit the report; it might also give people some comfort. I acknowledge that that would be a further imposition on your time, but it is probably important.

Mr Wallace: I acknowledge the merit in what Phil Gallie says. One consideration in arranging visits was that they should not appear to be excessive, but a visit might not be needed. If we wanted to consider such a country, I would see whether we could identify a devolved area, such as one in Spain, and we would see whether we could operate without having to travel. The budget was a factor in considering what travel the Conveners Group would permit.

The Convener: The travel was agreed first by the committee and then by the Conveners Group.

Mr Wallace: I am not saying that travel would be necessary; there are ways of operating without travelling.

Phil Gallie: France and Italy are particularly interesting, although I would be satisfied with a study of Spain.

Mr Wallace: I will bear that in mind.

Phil Gallie: It is a tough job.

The Convener: Perhaps Mr Jackson would like to help Mr Wallace.

Mr Wallace: Tuscany will call.

Bruce Crawford: I have not a different view, but a different emphasis from Phil Gallie. What matters is the quality of what countries do with directives once they have them; I am not sure that the question is so much about the volume, although I acknowledge that if countries go slower on some issues, directives are not transposed as early.

Jim Wallace's proposals following his fact-finding mission and the comparison of how Ireland and Denmark go about doing things will throw light on the issue in a way that other areas of the report, although valuable, will not. The Irish model, in particular, involves a lot of consultation before directives are implemented. I am sure that if we conducted that process a lot more successfully in Scotland, we would not come up against a hammer in the time that some directives take and the reaction that they receive.

It is inevitable that, because of the sheer scale and complexity of the issue, some of the work will have to wait for the next parliamentary session, but the committee would value understanding the experience of those two countries. That would give us a fair whack at what we need.

John Home Robertson: I, too, thank Jim Wallace for what he has done. The issue goes to the heart of what the committee needs to do. How often do we hear examples of something that started life in the European Union as a well-intended, useful proposal to improve the life of our citizens, which, months or years later, percolates through to businesses and communities in Scotland and is an absolutely impossible burden on those citizens, because of the way in which it has come through the mincing machine at UK level, Scottish level or some other level? We need to find ways of ensuring that such proposals are transposed more efficiently and more appropriately. There have been too many examples of that not happening. If we can find a way of improving the system, so much the better.

Gordon Jackson: I am curious to ask Jim Wallace: when you look at another country, how do you find out the truth?

John Home Robertson: It is bad enough in Scotland.

Gordon Jackson: I am making a serious point. If somebody came to Scotland and said, "Do you overimplement or underimplement? Do you do enough or do too little?" the Executive would say, "We're fantastically balanced. We just do it right down the middle."

The Convener: Do you think?

Gordon Jackson: Well, it might. The Scottish Trades Union Congress would say, "It's not done nearly rigorously enough. It's too soft for

businesses,” and businesses would say, “The burden is beyond belief—we can’t get on with our work.” It would depend who you asked. When you go to France or Italy, how do you find out the truth? By truth I mean, how do you get an accurate picture? There is an interesting comment in the paper from part of the business community, which says that the Scotland Act 1998 is to blame because we have to implement Community regulations. In theory, every European country is supposed to do the same, but we happen to have it written in the Scotland Act 1998. Clearly, we are investigating the differences, but, when you go somewhere, how do you find out where the truth lies? We cannot find out where the truth lies in Scotland.

Irene Oldfather: I concur with Gordon Jackson. It is difficult to get people to admit that they are doing something incorrectly. Alternatively, as I said to Jim Wallace earlier, we could do an analysis of European Court of Justice decisions over the past five or 10 years. I was involved in the issue of foreign lecturers in Italy being paid at different rates from Italian lecturers in Italian universities. Italy was taken to the European Court of Justice on a number of occasions and the decision of the court was clear cut: “You’re wrong. You have to pay everybody the same rate.” The case went to the European Commission first, which tampered with it and did not really do much, but it keeps going back to the European Court of Justice.

As well as what Jim Wallace is doing, it would be useful—perhaps in the next session—to consider an analysis of proceedings raised with the Commission by groups that feel that legislation is not being transposed properly or fairly. That could be done from here or perhaps from Brussels. It would not be too big a task and you would not have to go to 25 member states to do it. However, to carry out such an analysis, you would have to find a mechanism for working with someone in the Commission and someone in the Court of Justice.

I do not want to back up Phil Gallie’s Eurosceptic theories, but if such a piece of work were done, we would probably find that certain countries—Italy, for example—come up quite frequently. I know that from experience in another life. That would be an analytical way of proceeding, although I take on board Gordon Jackson’s point about the difficulty of doing such work.

15:15

Bruce Crawford: To use a Scottish colloquialism, I think that we are getting our knickers in a twist about nothing. Every country has a different foundation stone and a different starting place for its law. We cannot expect

directives to have the same outcomes throughout the European Union. It is impossible to make a judgment on how a law has been transposed at the end of the process—at the output stage. I hope that Jim Wallace will examine all the material on the procedure that is gone through, which can be analysed robustly. It is not necessary to conduct a fine comparison of what the outputs of every piece of legislation have been.

The Convener: We will get a final comment from Phil Gallie, before poor Jim Wallace responds to all our suggestions.

Phil Gallie: Europe is about coming together to operate on a level playing field. What Bruce Crawford has just said about transposition is totally wrong. If the EU passes a directive, all 25 countries are duty bound to transpose it into their law.

Bruce Crawford: I accept everything that Mr Gallie has just said. Everyone passes the law; the issue is how they pass it.

Phil Gallie: I am more than happy that Jim Wallace is investigating that.

The Convener: Charlie, you are sitting between Bruce Crawford and Phil Gallie. Do you have anything to add?

Mr Gordon: My foot has gone to sleep and I am thinking of joining it. We have had one lawyer asking another how he gets to the truth.

Irene Oldfather: We should move on.

The Convener: Yes, that is a good suggestion.

Mr Wallace: Gordon Jackson’s question is one that I have asked myself—I suppose that it is an example of one lawyer asking another, but it could also be described as a medical condition.

I want to pick up on what Bruce Crawford and Phil Gallie have said. Phil Gallie referred to the transposition rate. That is not what I have been investigating and I do not think that Mr Gallie was suggesting that that is what I should be doing. I think that he was saying that a country’s willingness or capacity to transpose directives might offer a guide to the quality of transposition.

I have a few points on methodology. We have yet to finalise the visits. Although the destinations are known, we have not finalised who we will meet. It is important that we do not meet only representatives of governmental bodies and that we do not talk just about transposition. We want to get a flavour of how implementation and enforcement are carried out because it would be possible to transpose a directive perfectly, but if it just sat on the statute book and no one bothered about it, not much would be achieved.

I believe that it will be possible to make comparisons with what happens here. In that regard, Bruce Crawford's comments are particularly pertinent. We might find that members of the business community in the Republic of Ireland say that they are consulted at length in advance of transposition. If they tell us what happens in Ireland, we will be able to make a meaningful comparison with the process that is followed here. We can also find out how they feel about the impact of such consultation.

Irene Oldfather made a helpful suggestion that it might be possible to adopt an objective approach by considering what action has been taken on implementation by European institutions such as the European Court of Justice and the European Commission. Given that the Commission has an interest in proper implementation, it will no doubt have views on how implementation can be evaluated, taking into account all the different factors. I am sure that it will have considered that in respect of many regulations over quite a period. As the paper says, the intention is that I will go to Brussels to meet the Commission at the end of the evidence-gathering process.

The Convener: I suggest to members that we consider the issue again in December, with a further update following the visits to Copenhagen and Dublin. I suggest that we ask Professor Page to give evidence to the committee on his research; that we ask European Commission representatives to give evidence; and that we also take oral evidence from interested stakeholders at a meeting in January. We have the capacity for that within our timetable. Is that agreed?

Members indicated agreement.

The Convener: Thank you very much, Jim.

European Commission Work Programme 2006

15:20

The Convener: Item 3 is on our European Commission work programme tracker. We have our regular paper, tracking the items on the European Commission's work programme that the committee has identified as being potentially important to Scotland. Do members have any comments?

Gordon Jackson: Sorry—I was not paying attention.

The Convener: I noticed that you were not paying attention. Do you want me to read that whole thing again? Would you give us your comments on the tracker paper straight away, please, Mr Jackson?

Gordon Jackson: It was an excellent paper, I thought.

Irene Oldfather: Before I comment on one or two individual items, I understand that guidelines were agreed last week in relation to institutional reform, which will give MPs the opportunity to respond to proposals from the Commission before they become law. That relates back to the previous agenda item and to what Bruce Crawford was saying about having an early influence on the agenda, which is something that the committee has discussed for a long while.

Next week, the Commission will e-mail all proposals for EU laws directly to national Parliaments for comment. When we were doing our piece of work on the future of Europe, the committee suggested that, should such a system be put in place, we would investigate with Westminster how the committee could make an input in relation to future Scottish legislation. As the situation is developing quite quickly, could we consider how to pursue the matter? That is a general comment.

The Convener: Before you go on, I will respond to that. Like you, I am familiar with the issue, and the clerks both at Westminster and here have been discussing it. The House of Lords European Union Select Committee asked for comments on the proposal some time ago. I remember reading about how it would be a different matter for the committees of devolved legislatures to get involved than for committees of the nation state legislature, because of the scrutiny reserve and so on. As I remember, we commented on that at the time. I suggest that we do a quick résumé of the issue for our next meeting.

Irene Oldfather: That would be helpful. As far as I am aware, nobody has come back to us on our interest in participating in some way. I think that we said that we would try to identify a few developments with particular Scottish relevance and do our best to influence them. It would be helpful to get an update at our next meeting.

On individual items in the paper, the committee has kept a watching brief on the globalisation adjustment fund. An opinion on that by Roselyne Bachelot-Narquin is being produced today at the European Parliament's Committee on Employment and Social Affairs. As we have expressed a particular interest in the matter in the past, I thought that it might be helpful for committee members to get a copy of that. My own opinion on the same subject will go to the Committee of the Regions in October. Once it is approved—with any final amendments—I would be happy to bring it back to the committee.

The Convener: It would be useful if you could report to the committee on the outcome of that. When will that be, did you say?

Irene Oldfather: October.

Phil Gallie: When we visited Brussels, we homed in on the JESSICA and JEREMIE programmes—joint European support for sustainable investment in city areas and joint European resources for micro to medium enterprises. I notice that those have been approved in the main, and that the two funds are very near to being launched. It might be worth while to do something on that.

The committee took an interest in the maritime strategy. I note that there is to be a seminar in Brussels on that. I remind the committee that we have our man in Brussels, Ian Duncan. If he has not already been pointed in that direction, it might be worth getting him to go along and send something back to the committee.

The Convener: Gerry McNally and Iain McIver from the Scottish Parliament information centre are going along to the London event. We have our own seminar on Monday 4 December.

Phil Gallie: That is what I had in mind.

The Convener: We will get a report back from them.

Phil Gallie: Can we get a report back from Ian Duncan, too?

The Convener: Yes. Ian will be going to the Brussels event.

I see that JASPERS—the programme on joint assistance in supporting projects in European regions—has joined JESSICA and JEREMIE.

Pre and Post-council Scrutiny

15:26

The Convener: Item 4 is our regular scrutiny of the agendas and reports of Council of the European Union meetings.

Mr Wallace: I note that the competitiveness council will meet on 25 September to discuss the seventh framework programme. Colleagues will remember from our visit to Brussels in March and subsequent discussions that we saw that as an important issue for Scotland. I know that we usually get a read-out, but is there any benefit in flagging up to the Executive the fact that we think that the item is of considerable importance? Can we ask whether our ministers intend to be there in person—it is better if they are—or have an input to the UK position?

The Deputy Convener (Irene Oldfather): I am quite happy with that. Is that agreed?

Members indicated agreement.

Sift

15:27

The Deputy Convener: Item 6 is our regular sift of EU documents. Do members have any comments? Mr Gallie usually wants to draw something to our attention.

Phil Gallie: No. I will give you all peace.

The Deputy Convener: Does the committee agree to refer paper EU/S2/06/12/5 to the relevant committees of the Parliament?

Members *indicated agreement.*

Meeting closed at 15:27.

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