



Northern Ireland
Assembly

**COMMITTEE
FOR THE OFFICE OF THE
FIRST MINISTER AND DEPUTY
FIRST MINISTER**

**OFFICIAL REPORT
(Hansard)**

European Issues

7 October 2009

NORTHERN IRELAND ASSEMBLY

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FOR THE OFFICE OF THE FIRST MINISTER AND
DEPUTY FIRST MINISTER**

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Members present for all or part of the proceedings:

Mr Danny Kennedy (Chairperson)
Mrs Naomi Long (Deputy Chairperson)
Ms Martina Anderson
Mr Alex Attwood
Mr Tom Elliott
Mr Francie Molloy
Mr Stephen Moutray
Mr George Robinson
Mr Jim Shannon
Mr Jimmy Spratt

Witnesses:

Dr Paul Geddis }
Ms Sorcha McCafferty } Office of the First Minister and the Deputy First Minister
Mr John McMillen }

The Chairperson (Mr Kennedy):

We move to the Executive's European action plan for 2009-2010. We will have a briefing from departmental officials Mr John McMillen, Dr Paul Geddis and Ms Sorcha McCafferty on the Executive's draft plan and the priorities for European engagement 2008-09. The draft action plan is a work in progress and is yet to be fully completed.

Members were asked to bring copies of documents from previous meetings, and a copy of a

research paper by the Assembly's research and library service has also been tabled. The research paper highlights issues that members may want to discuss with officials. It was requested only at last week's meeting and was not received in time to be included in members' packs, but was e-mailed to members yesterday afternoon.

I invite the officials to come forward. You are very welcome. The session is being recorded by Hansard and will take its usual format: you may make an opening statement, and members will then put their questions.

Mr John McMillen (Office of the First Minister and the Deputy First Minister):

Thank you for the opportunity to comment. We had hoped to have the draft action plan for 2009-2010 with the Committee before the summer recess; unfortunately, the 2008-09 plan was not agreed by the Executive until the end of March. The delay in reaching a consensus offset our planning process for the current financial year. We are working hard to improve the timing of subsequent years' reports.

Despite the difficulties, the response to the Commission's taskforce report was well received by President Barroso and Commission officials. We believe that we have made a good start to building a close relationship with Europe. The First Minister and the deputy First Minister circulated the 2008-09 end-of-year report to Executive colleagues at the end of September and released it to the Committee for comment on the same day. On 22 September, junior Minister Kelly presented the document to the EU Commissioner for Regional Policy in Brussels.

Over the nine-month period of the 2008-09 plan, we achieved seven of our key targets; two are ongoing, and one has been partially achieved. One of the highlights was the promotion of our interests by engaging key policy areas, such as cohesion policy, EU budget review and trans-European networks. We also fast-tracked approval for four structural funding programmes worth €1.1 billion.

During the report period, we had 43 applications for projects in the trans-national and inter-regional funding programmes. The target was 30 applications, and 18 of those have been approved in that nine-month period; that compares to 18 approvals in the period 2000-06. We also secured €4.5 million of research and development funding from the EU seventh framework programme and increased the number of Civil Service secondments to eastern European

institutions to learn at first hand how they function, from four to 12.

Ministers sought to reflect the Committee's views on the Executive's priorities for European engagements 2008-09 in the plan; unfortunately, there was insufficient time to respond in detail to the Committee before the First Minister and the deputy First Minister presented the document to President Barroso on 31 March 2009. The First Minister and the deputy First Minister wrote to the Committee on 31 March to explain the situation and to provide an advance copy of the 2008-09 priorities document.

Officials sought to take on board the Committee's suggestions in developing draft European priorities for this year. For example, the Department for Employment and Learning has agreed to give renewed consideration to the benefits of participation in the PROGRESS programme.

The 2008-09 action plan is a work in progress. Ministers wanted to give the Committee the opportunity to comment at the earliest stage possible in its development. A meeting of the cross-departmental working group was chaired by the junior Ministers on 23 July 2009, at which their main requests of Departments were: to ensure continuity between the 2008-09 plan and the 2009-2010 plan; to address criticisms about the lack of ambition and innovation; to strengthen content on theme 4, which is raising awareness and encouraging participation; and theme 5, sharing our experience; and to consider including activities that demonstrate a greater collaboration with European partners, including potential benefits of North/South and east-west co-operation.

Officials and representatives of eight Departments discussed material for inclusion in the plan on a bilateral basis with our Commission counterparts at a meeting in Brussels on 22 September.

The next meeting of the Barroso taskforce working group has been convened for the end of October, and it will be valuable for Departments to hear the Committee's initial views. Our plans are due to be finalised and presented to the Executive for approval before the end of November.

In conclusion, our European engagement is ongoing and will become increasingly sophisticated as we further our experience and expertise. We will continue to build on the comprehensive infrastructure that has been established and seek to deepen our understanding of relative policy areas. To assist in our work, I am pleased to advise the Committee that a Commission official has recently been seconded to OFMDFM to enhance contacts between

Northern Ireland policy leads and their counterparts in Brussels.

The Chairperson:

Thank you for that overview. It ended with good news about the secondment.

Can you enlighten the Committee on the reason for the delays in agreeing the draft action plan?

Mr McMillen:

It is complicated. The task force presented a considerable stocktake to us. We worked across all Departments, and it took a long time to get them to respond to the stocktake. A separate core of niche work, therefore, had to be done. Having done that, we had to convince Departments, and their respective Ministers, to agree to their various inputs. The delay was a reflexion of the fact that we faced a considerable piece of work that took much longer than we had anticipated.

Ms Anderson:

Thank you very much for your presentation. You said that the 2009-2010 action plan takes the same format as the 2008-09 action plan. Given that the action plan retains the same format as existed before the task force came into being, has it been difficult to assess the task force's recommendations and how it shaped the action plan?

Dr Paul Geddis (Office of the First Minister and the Deputy First Minister):

The central issue was that the Commission's task force report had established the baseline for the region's European engagement. However, that was only one of several key work elements. Another element, for instance, was the European strategy for the region from 2006 to 2010. The response to the task force report had to encompass a blueprint for the future, because we view our European engagement as continuous rather than discrete, and such engagement will have to evolve.

Departments considered some of the recommendations and suggestions against the constraints that faced them; particular constraints were their commitments under the Programme for Government and their internal resourcing requirements. A prioritisation at departmental level determined the content of the 2008-09 plan. The departure point for the step-up in our European engagement was the benchmark provided by the Commission.

Ms Anderson:

Was the plan not shaped specifically by the work of the task force? Scotland said that it will lead the way in a small number of areas, and the Scottish Government identified a strategic approach in their action plan. Scotland took a completely different approach from the one taken here.

Dr Geddis:

Yes; that is correct, and the Welsh have taken a different approach too. Of the five themes in the 2008-09 plan, three were based on the strategy, and two were based on accessing EU funding; by sharing our experiences, we were able to add that in order to reflect the linkages across the documents with the Commission's task force report. The action plan, therefore, was based on a combination of factors; it was not a neat response directed specifically at the suggestions and recommendations.

Ms Anderson:

Has it been difficult to assess the effect of the task force?

Dr Geddis:

The overall effect of the task force's report was to promote engagement. However, that report did not contain specific targets for the Administration here to meet. The targets in place are those set by the Executive.

Mr McMillen:

Moreover, it must be remembered that the task force that President Barroso initiated was aimed at moving towards a long-term relationship, policy inputs, and so forth. Although there are some quick measures that can be taken on access to programmes, and so forth, with which we want to proceed, our emphasis is on a long-term influence. How we get our policy and needs reflected in European policy is a much longer journey. It will take some time before the benefits are realised.

Ms Anderson:

Was the action plan shaped by more than the task force's work?

Dr Geddis:

Yes.

Mr McMillen:

The action plan involved picking tasks from those areas and prioritising them.

The Chairperson:

I do not know whether I am at fault or the acoustics, but could members and witnesses please raise their voices when speaking? It will help with understanding and with the preparation of the Hansard report of the meeting.

Mr Spratt:

I thank the witnesses for their report, in which it is mentioned that Civil Service secondments had risen from four to 12. I do not expect you to be able to tell me where all those civil servants have gone, but have they gone to Brussels or are they working in Departments here on European issues? It would be helpful if you could give the Committee some idea of where those secondees are because it is concerned about that issue.

Mr McMillen:

The secondees are Northern Ireland civil servants now working in Brussels. Some work as national experts in specialist policy areas; others work as stagiaires or administrators in directorates in order to learn the system. However, the Department can provide the Committee with a full list of who has gone and where they have been placed.

Mr Molloy:

I also thank the witnesses for their presentation.

First, is a networking plan in place for the Civil Service secondees in Brussels? The Irish Government play a role in placing their civil servants in the various bodies in Brussels, and they could help the civil servants from here to meet others in Europe rather than allowing them to get lost in the system.

Secondly, has the Department identified a system of reading ahead to understand what the European Union is planning? From its visits to Westminster and the other devolved legislatures, the Committee has learnt that we must examine what is likely to happen in five years' time.

Thirdly, has the Department identified why it has taken Departments so long to catch up with European issues? The Barroso task force reported that some Departments are not fully au fait with what is available. There must be someone in each Department to examine the opportunities in Europe to realise how each Department can benefit.

Mr McMillen:

Our Civil Service secondees are certainly not cast adrift in Brussels, and Evelyn Cummings, the head of the Department's European division, maintains close contact with them. She introduces them to relevant parties, supports them, and invites them to receptions and events in the Brussels office. However, that support is not strictly formal, and perhaps the Department should examine a more formalised form of networking; an induction period for secondees would be helpful.

In answer to your third question, the Department is starting to look further ahead with respect to what the policy issues will be. Indeed, it received a very helpful briefing from its colleagues in the Department of Foreign Affairs in Dublin at the beginning of the summer, which looked ahead to the Swedish presidency of the European Union. At that meeting, our colleagues gave us their outlook on where they saw policy going, and they have offered to repeat that advice in future. Furthermore, the Department keeps in contact with the Irish and the UK representations in Brussels on what is coming down the track. That approach is about the Department upping its game and foreseeing what will happen in the future.

Some Departments are very switched on to Europe and are deeply involved in it, but much of that is because those Departments are involved in policy areas such as agriculture or industry; others do not treat Europe as a priority and do not see the opportunities that it offers. Indeed, that was one of the reasons that ODFMDFM was keen to have a seconded EC official who could create such networks and demonstrate to Departments the opportunities that exist in Europe.

Mr Molloy:

It seemed that when the Westminster Government was scrutinising future European legislation, they dealt directly with the Northern Ireland Office (NIO) and did not seem to recognise the Assembly. Has that position changed and, if not, how do we change it?

Dr Geddis:

It has not changed, because the NIO is a Westminster Department. However, the Commission's

forward work programme, which you mentioned earlier, creates an interface with the devolved Administration and Europe.

The Commission's planning process is to issue a communication on an annual policy strategy for each calendar year, usually in February. That communication provides the basis for a draft annual budget for the Commission, which is usually agreed in April. A legislative and work programme follows, which tends to be agreed through institutional agreement towards the end of the year. That contains the legislative proposals, initiatives and communication themes.

Coupled with that, for each college of commissioners at the outset of its tenure there is normally a five-year forward look at the main policy themes. The Executive's office in Brussels receives copies of the annual policy statement directly from the Commission services, which is then forwarded, using our legal co-ordinators' network, to all Departments. That should inform the content of their input to our priorities for European engagement.

The relationship on any issues that Departments consider to be of prime importance to the region is then progressed on a bilateral basis with the lead Whitehall Department. Therefore, before the UK negotiating line is set, we would have expected the NI policy leads to have raised all the issues of concern and to have reflected them to their Ministers; we then capture them as appropriate in the action plan to be put before the Executive Committee. There is a process in place.

The Chairperson:

Hansard remains concerned about mobile phones that are switched on, as they are interfering with the recording. I ask members, and everyone present, to switch their mobile phones off and ensure that they remain switched off during any recorded session. I can but ask.

Mr Shannon:

For the record, my phone is turned off.

The Chairperson:

I made no allegations. *[Laughter.]*

Mr Shannon:

All eyes seem to be on me. *[Laughter.]* I noticed, and Francie mentioned it earlier, that in the Welsh Assembly Government, the Scottish Parliament, Westminster and down South relationships were very important in making sure that we are doing things right. Perhaps we can bring what we have learnt from those relationships to improve how we deal with Europe.

I would like the Committee to have a greater scrutiny, and perhaps monitoring, role on Europe, and I am sure that most, although perhaps not all, members share that opinion. Could that be done?

We have worries about major policy or legal issues coming from Europe that might affect Northern Ireland, and I know that that issue arose in the Scottish Parliament, although it has reacted positively to such developments. Although Westminster has the key role, we need to know about possible developments that might affect us so that the Assembly can act.

Each Department has a champion for each new policy. There are enough champions in every Department to win football and boxing matches. Is it realistic to have a European champion — not Manchester United — in Departments, given that a Department will have a champion for child poverty, for example?

The Chairperson:

‘Champion the Wonder Horse’.

Mr McMillen:

I will answer the second question first. As far as European affairs are concerned, the representatives on the cross-departmental working group are regarded as the European champions and policy leads in their Departments. They are all at senior level — at least that of deputy secretary. There is therefore a senior input. In effect, they are the European champions in their respective Departments, although we do not address them as such.

You are correct: the group must have representation from policy leads in different areas. For example, I represent OFMDFM; child poverty is the responsibility of another division. Therefore, it is important that they are linked into it and that their comments are taken on board.

As we lift our engagement, we encourage officials to get Departments to engage with Europe, and at a political level there is wider scrutiny of what is happening in politics there. Its protocols, mechanisms and structures are matters for politicians to consider. I understand that the Committee is due to report on that area. The Department will be keen to hear the Committee's views on that.

Dr Geddis:

In view of the South's yes vote on the Lisbon Treaty, I want to inform the Committee of some of its implications for protocols on the role of national Parliaments, subsidiarity and proportionality. I briefed the Committee on those matters earlier; however, that was a considerable time ago.

If Poland and the Czech Republic ratify the treaty — there is still some uncertainty about that in the case of the Czech Republic — national Parliaments will be consulted on draft EU legislative proposals and will be given an eight-week period to provide a reasoned opinion on them. Various subsidiarity-check mechanisms then come into play; there is a yellow-card mechanism and an orange-card mechanism. Moreover, the financial and administrative aspects of all legislative proposals will have to be detailed in a document.

That procedure may put the Committee and the House in a better position to determine their priorities. I understand that you have taken evidence from the Chairman of the House of Commons European Scrutiny Committee and the House of Lords European Union Select Committee. A huge volume of European paperwork comes to Westminster. Quite apart from the resource implications, there is the task of determining what is important.

Another important factor concerns the Assembly's ability to influence the UK negotiating line. If that comes to pass and the subsidiarity-check mechanism operates — although it will be narrowly defined in its scope — the political discussion on the line that the UK should take on an issue is likely to be wide at that point. That will have to be worked through at that stage and, probably, taken on board through the joint ministerial Committee. Ministers would work through that forum.

The Committee should be alerted to those issues.

Mr Shannon:

As regards the Republic's decision to support the Lisbon Treaty, there is talk about the Conservative Party — perhaps, Mr Chairman, you could answer my question better than anyone else —

The Chairperson:

You are not directing it to me.

Mr Spratt:

Danny is not sure about the Conservatives.

Mr Shannon:

I am not. The matter will be discussed at the Conservative Party conference. There is concern that David Cameron may allow the people of the UK to make their own decision on the Lisbon Treaty. Has the Department had any discussions with the incoming Government on that issue?

The Chairperson:

For one priceless moment, I hoped that you would say yes. That really would have been newsworthy, I must say. *[Laughter.]*

Mr Molloy:

I see that the orange card has still to be played.

The Chairperson:

Absolutely. The man knows his history — some of it, anyway.

Mr Attwood:

Thank you for your presentation. In such instances, it is always useful to go back to what Ministers said. In April 2009, on the Floor of the Assembly, the deputy First Minister, on behalf of OFMDFM, said that benchmarks would be put in place in respect of that work and that the group that is chaired by junior Ministers would identify key targets for the 2009-2010 financial year.

The Minister said that benchmarks will be put in place and that key targets would be set for

2009-2010. Where in the document are those benchmarks explicitly outlined?

Mr McMillen:

The task force report provided a benchmark for Northern Ireland's position at that time. The report for 2008-09 provides a benchmark; that gives us somewhere to start from. The 2009-2010 plan is being developed, but it contains no benchmarks or measures as yet, because we want to establish our targets and then introduce measures.

Dr Geddis:

Although comprehensive, the draft document with which members have been provided is incomplete in some aspects. For that reason, the key targets need to be distilled from the bottom up, as it were. There is a need to establish quantitative benchmarks against which progress can be measured. In addition, at the top end, there must be a much more explicit statement of our priorities. Although the 2008-09 document is called 'Priorities for European Engagement', the statement is not as explicit as we would like it to be. In part, that reflects the way in which the document was developed and some of the time pressures to get it through.

In order to identify those priorities and create benchmarks, we need to track developments in legislation emerging from the European Union, and that has reference to the legislative work programme, and, in particular, the emerging priorities of the new college of commissioners, which will not be known until the end of this year or early next year. We may not have a clear statement for the current financial year's plan, but we want to see it taken forward into the plan for 2010-11.

If we track the emerging developments, we will have to identify areas of strategic interest. Some Committee members mentioned Scotland. The Scots started with a broad tableau of priorities — 21 in 2007-08; this time, they have narrowed that to four priorities, which are very finely structured. Having identified the priorities, we must be proactive in taking them forward. Much of that work has not yet been done, but it will be the centrepiece of the junior ministerial meeting with Departments, which is scheduled for later this month. We feel that the Committee could help in that process by commenting on the strategic priorities.

Mr Attwood:

Let me stop you there. You have given us a great deal of useful information, and, to some

degree, you have been very frank with the Committee. The deputy First Minister said that key targets for the 2009-2010 financial year needed to be identified; however, six months into 2009-2010, there is, according to Mr McMillen, nothing there yet. In April, we were told that we had to identify those key targets for this financial year, but six months or more into that financial year, there is nothing there yet. There is a tension between those two assertions.

Mr McMillen:

We are in a difficult position; we are halfway through the year and the plan is not in place. We intended to have the plan ready before summer recess, but that was not possible. As we said earlier, however, there is continuity between last year's plan and this year's. The key targets for the past two years are being carried forward, but they have to be remodelled, and that is what we are doing. There is no vacuum; we continue to carry forward those key priorities.

Mr Attwood:

I appreciate that, and I appreciate that there has been a delay; we can go into the reasons for it. However, the Minister was talking about key targets for 2009-2010, not about carry-over targets for 2008-09. Six months into the year we do not have anything, and God knows when we will get further information about what the key targets are. That is not a credible basis on which to move forward. I want to develop the point —

The Chairperson:

To be fair, Mr Attwood, we are questioning officials; we are not questioning politicians.

Mr Attwood:

I appreciate that.

Mr Spratt:

We are not in court either.

Mr Attwood:

They are speaking about Ministers' work and what it may mean.

When Paul talked about what was coming down the track, he provided an insight that the Office of the First and the deputy First Minister was trying to anticipate EU developments.

However, I cannot get my head round the fact that the other two devolved Administrations are planning ahead; their action plans create processes for a six-monthly review of developments and of EU priorities as its presidency changes. They try to align or adapt action plans to keep them consistent with what is coming down the tracks.

I see no evidence of that in our action plans, which are not being aligned or adapted in view of the presidency's priorities or the Commission's work programme. Yet that is part of the architecture of action plans in Scotland and Wales.

Dr Geddis:

The tension originates from the fact that we have a mechanism to synchronise the action-planning process with the normal business and reporting processes for Departments, particularly when they report on matters such as the Programme for Government and their internal priorities. That was also reflected in the deputy First Minister's statement to the Assembly on 21 April.

Part of the difficulty is the disparity in the time frame, for which there were reasons. However, when we cannot synchronise the time frames, it becomes difficult to get the type of forward-looking plan to which Mr Attwood referred. That is simply because the other inputs into the process, such as when the Commission releases its annual look forward, have already happened. Therefore, in a sense, we find ourselves in that position because we are playing catch-up. Hence, a delay in the first year, even if for very good reasons, leaves us catching up this year. We need the time boundaries to coincide; that is one element of the issue.

I am not entirely convinced that Wales is as sophisticated as Scotland in the action-planning process; there is a distinction between the devolved Administrations. However, the other difficulty arises from the number of other players who need to input into that forward look and the prioritisation process in addition to the regional Government. They include various structures, and I know that the Committee considered that issue in its inquiry into European matters.

Thus, a range of factors come into play, but the main difficulty is the disparity over time frames, because Departments will consider the Commission's forward-look programme, determine what is important for them through their annual business plan and with their Ministers, and then feed that into the Executive's action plan. That process may need to be developed;

nonetheless, that is where we are.

Mr Attwood:

In an earlier answer it was stated that stuff comes out of the presidency and the Commission, goes into the office in Brussels and trickles down to Departments here. Why not adopt the Scottish model, which seems to be the most advanced of all the devolved institutions, as best practice? It does two things: it has an appendix that reviews progress on its action plan every six months, and, crucially, in the context of a new EU presidency every six months, it outlines the key areas — *[Interruption.]*

The Chairperson:

Order.

Mr Spratt:

Sorry about that, Chairperson.

Mr Attwood:

It outlines the key areas in the new presidency for the Scottish Government. Is that not a better way of converging energies to get better outcomes?

Mr McMillen:

We are relatively new to this; we have come from a low base and resource, and we are trying to engage Departments on a wide front. If we can learn from other people's experiences, we will be happy to do so, and we will take note of the Committee's views. In addition, we will see whether we can learn anything from the Scottish and Welsh models.

The Chairperson:

It would be helpful if you could give the Committee a time frame for it to respond.

Mr McMillen:

The task force group is scheduled to meet on 20 October, so preliminary thoughts on that meeting would be welcome. Work will continue and the group intends to have a final plan for the Executive at the end of November. Therefore, a more detailed response in early November would be helpful.

The Chairperson:

Are you saying that we have about a month?

Mr McMillen:

Yes.

The Chairperson:

That is very helpful. Thank you. That completes the questions.