European and External Affairs Committee

EUR(3)-02-11 : Paper 2 : 01 February 2011

Update on Committee of the Regions activities of National Assembly for Wales' representatives

Introduction

- 1. This paper has been prepared as an update for the European and External Affairs Committee's ("the Committee") meeting on 1 February 2011. It follows on from the updates to the Committee of 29 September 2009, 28 April 2009, 12 January 2010 and 21 September 2010.
- 2. The Committee is request to note the contents of the paper and to give its support to the call for the process of re-nomination of Committee of the Regions (CoR) representatives from Wales by the UK Government to be considerably "speeded up", to bring it in line with other Member States where this process takes a matter of weeks rather than 6-12 months (the situation in the UK).

Impact of Assembly elections on mandate for 2010-2015

- 3. Christine Chapman AM and Rhodri Glyn Thomas AM were formally appointed to the Committee of the Regions on 26 January 2010, with a five-year mandate, Christine as a full member and Rhodri Glyn as the alternate.
- 4. With the Assembly elections taking place on 5 May, and formal dissolution of the Assembly at midnight on 31 March, clarification is being sought of the impact this may have on the status of Christine Chapman and Rhodri Glyn Thomas and their work for the CoR. It is clear that both will cease their CoR activities from midnight on 31 March until after the election and formation of a new Welsh Government. However, clarification is being sought as to whether they will be required to formally resign from the CoR on this date, or whether this can be delayed until the results of the election and formation of the new Welsh Government is known.
- 5. The Assembly's EU Office has discussed this issue with CoR and Welsh Government officials.
- 6. On 19 January 2011 Christine Chapman and Rhodri Glyn Thomas sent a joint letter to the First Minister (see Annex A) outlining their concerns regarding the potential impact the election could have on Welsh representation on the CoR, during what is a crucial year in terms of

discussions on the future EU Budget and EU programmes for the post-2013 period.

- 7. The primary concern of Christine and Rhodri Glyn is to avoid a scenario where the Welsh representation on the CoR would effectively be halved during 2011 and potentially into 2012, with no representation from the Assembly. This is a distinct possibility should they be required to officially resign on 31 March, given the re-nomination process in the UK can take anything from 6 to 12 months.
- 8. The letter to the First Minister seeks clarification as to whether official resignations could be avoided until (i) the outcome of the elections is known and (ii) the First Minister of the new Welsh Government has confirmed the choice of nominees for the CoR. Under this scenario were Christine and Rhodri Glyn not to be re-elected to the Assembly or renominated by the new First Minister, they would formally resign from the CoR with immediate effect. However, were they to be reconfirmed by the new First Minister they would be able to recommence their CoR work without any delay.
- 9. The letter also asks the First Minister to request that the re-nomination process within the UK be "speeded up", as this process is understood to take a matter of weeks in other Member States. Were the re-nomination process to take 1-2 months then the question of formal resignation on midnight 31 March would be of less significance.

European Platform Against Poverty rapporteurship

- 10. On 24 November 2010 Christine Chapman was selected at the ECOS Commission meeting as rapporteur for the CoR opinion on the European Platform Against Poverty and Social Exclusion, one of the seven Europe 2020 flagship initiatives. The draft opinion is scheduled to be discussed and adopted at the ECOS Commission meeting on 9 February¹, and will go to full plenary on 31 March.
- 11. Christine Chapman nominated Gregg Jones, the Assembly's representative in Brussels, as the expert on the opinion.
- 12. A draft opinion has been prepared (see Annex B), which was submitted to the CoR on 13 January to meet an internal translation deadline and to allow for consideration of amendments ahead of 30 January. The draft was based on evidence gathered from a series of meetings in Brussels held on 17 December, including Eurochild, the European Anti-Poverty Network, Eurocities, the WLGA and the CEMR (Conference of European Municipalities and Regions). Written papers were also received from other bodies including Business Europe, whilst the Europe 2020 Monitoring Platform in the CoR has launched a Quick Survey to give

¹ Agenda and documents for 9 February 2011 meeting available from ECOS Commission web-site.

stakeholders across the EU a chance to feed their contributions on the flagship. The opinion also drew from policy initiatives in Wales, such as the new Child Poverty Strategy.

13. The timeframe for preparation of the opinion is tight, however, given Employment Ministers will adopt conclusions on the flagship in March and given the National Reform Programmes of Member States are due to be agreed in April, it was considered essential for the CoR to adopt its position at the earliest possible opportunity – namely 31 March plenary. This point was discussed internally in the CoR and after sight of the draft opinion the timeframe was confirmed by the ECOS President and secretariat, with support from all the other political groups.

Temporary Ad Hoc Commission on the EU Budget²

- 14. Rhodri Glyn Thomas is the European Alliance Group's alternate member on the Temporary Ad Hoc Commission on the EU Budget, which has been set up to prepare the CoR response to the EU Budget Review. In this role Rhodri Glyn has attended two meetings of the Working Group, the first in October, the most recent in January. He will also attend a meeting on 18 February where the Temporary Ad Hoc Commission will finalise the draft opinion prior to adoption at the CoR plenary on 31 March.
- 15. During the Temporary Ad Hoc Commission meetings Rhodri Glyn has input a number of points that directly link back to the Committee's work on the future of Cohesion Policy and the Rural Development Sub-Committee's work on the future of CAP. This includes underlining the support for an EU-wide, strong Cohesion Policy, reiterating the need to maintain ESF as part of Cohesion Policy, and raising some potential concerns regarding conditionality in economic governance.
- 16. Rhodri Glyn is also seeking to ensure that the opinion adequately references CAP and Rural Development, which are elements that have received only "indirect" references in the first draft discussion document. He has also sought clarification over the guarantees that will be put in place to ensure that local and regional authorities are integrally involved in the preparation of any Development and Investment Strategic Contracts should this concept be introduced as part of the new governance structure for Europe 2020 and the future Cohesion Policy (and other EU funding programmes delivered in Member States).

Europe 2020 Monitoring Platform

17. At the June plenary of the CoR Christine Chapman was formally appointed as one of two political co-ordinators of the Europe 2020

² See <u>Temporary Ad Hoc Commission on the EU Budget web pages</u>

monitoring platform. In this role Christine will be responsible for providing a political steer on the work of the platform in regard to the social and economic dimensions of the Europe 2020 Strategy. The other political co-ordinator is Mr Nichi Vendola, the President of the Puglia Region of Italy.

- 18. In this role Christine Chapman has overseen the production of the first Committee of the Regions Monitoring Report on the Europe 2020 Strategy³, which includes an assessment of the involvement across the EU27 of local and regional authorities (LRAs) in the preparation of the National Reform Programmes produced by each Member State. The Monitoring Report was adopted by the Political Bureau and presented to the CoR plenary in December.
- 19. This Monitoring Report is an innovation under Europe 2020 and is intended to give the Committee of the Regions an integral role in the governance cycle of the strategy. It is produced ahead of the Annual Growth Strategy by the Commission (which is timed to come out January each year).⁴
- 20. Both political co-ordinators have also made the case for the Committee of the Regions to re-focus its Open Days week (held in October each year) around Europe 2020, to provide an additional evidence base for the Monitoring Report and a public forum for stakeholders to discuss the practicalities of implementing the strategy on the ground. This has seen a partial success for 2011, with Europe 2020 one of the three themes for the Open Days week, however, both co-ordinators would like to see this go further in following years.
- 21. As noted in the previous update Christine Chapman chaired a seminar on regional research and innovation, during the 2010 Open Days in Brussels in October.

Team Wales

- 22. All four representatives from Wales on the CoR, including the two Welsh Local Government Representatives, continue to take a team Wales approach to their CoR work, and meet informally during CoR plenary sessions and when they are in Brussels on the same occasion.
- 23. Christine Chapman and Rhodri Glyn Thomas expressed their support for Councillor Bob Bright's opinion as CoR rapporteur⁵, and welcome the participation of Councillor Chris Holley in the Fifth Cohesion Forum in

⁵ See <u>CoR opinion: European Co-operation in Vocational Education and Training to support the Europe</u> 2020 Strategy

³ See Europe 2020 Monitoring Platform web-site

⁴ For more on the Europe 2020 Governance Cycle see <u>European Commission Europe 2020 web-site</u>

Brussels on 31 January, and his role on the COTER Commission in the CoR, which is adopting a position on the Fifth Cohesion Report.

24. Similarly the Welsh representatives welcome the open and inclusive approach of the Welsh MEPs, and look forward to working together to promote Welsh interests in Brussels for the remainder of the mandate.

21 January 2011

European and External Affairs Committee EUR(3)-02-11 : 1 February 2011 Paper 2 Annex A

Christine Chapman AM / AC Assembly Member for Cynon Valley / Aelod Cynulliad Dros Gwm Cynon

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Carwyn Jones AM First Minister for Wales Welsh Assembly Government Cardiff Bay CF99 1NA

Date: 19 January 2011

Dear Carwyn

Committee of the Regions: Assembly elections and mandate

We write to you to raise our concerns about the potential impact of the Assembly elections on Welsh representation in Brussels, during 2011 (and potentially 2012), a crucial period in discussions over the future of EU Budget and EU funding programmes of particular importance to Wales.

Our current mandate to the Committee of the Regions runs until end of January 2015, following our nomination and appointment at the beginning of last year.

We are conscious that under the provisions of the Government of Wales Act (2006) we are required to cease all activities related to our work as Assembly Members from midnight on 31 March, which would include Committee of the Regions work.

We have been seeking clarification, through the Assembly's EU Office, as to whether this will require formal resignation from the Committee of the Regions on this date, or whether such a decision is delayed until the outcome of the election and the formation of a new Welsh Government.

Cynulliad Cenedlaethol Cymru

National Assembly for Wales



The legal services of the Committee of the Regions have indicated that the formal dissolution would constitute a break in mandate, however, there is a degree of ambiguity as to whether or not this necessitates formal resignation – as there may be scope for the nominating body (in our case formally the UK Government, based on the names proposed by the First Minister of Wales) to make the case for continuation of mandate should they so wish.

The primary concern with going down the route of formal resignation is the length of time it takes for renominations to be processed, potentially anything from 6 to 12 months, given the requirement for the UK Prime Minister's office to agree the nominees and then Council of Ministers to formally endorse. We understand that this is a peculiarly UK problem as other national delegations are able to process renominations in a matter of weeks rather than months.

Therefore, we would request you to consider the following as a matter of urgency (given the timing):

- A commitment from the UK Government to process in a rapid manner future nominations (and re-nominations) from the Assembly to bodies like the Committee of the Regions (and also Council of Europe), to avoid Wales losing its democratic voice in Brussels during a prolonged period
- To clarify whether it is possible on this occasion, with your endorsement (and the formal agreement of the UK Government) to avoid formal resignations until the results of the Fourth Assembly election are known and a new Welsh Government has been formed.

We look forward to hearing from you shortly.

Yours sincerely,

Christine Chapman Assembly Member for Cynon Valley

Rhodri Glyn Thomas Assembly Member for Carmarthen East and Dinefwr

European and External Affairs Committee 1 February EUR(3)-02-11-p2 Annex B



ECOS-V-012

7th Commission meeting 9 February 2011

DRAFT OPINION of the Commission for Economic and Social Policy on

THE EUROPEAN PLATFORM AGAINST POVERTY AND SOCIAL EXCLUSION

Rapporteur: Ms Christine Chapman (UK/PES) Member of the National Assembly of Wales

This document will be discussed at the meeting of the **Commission for Economic and Social Policy** to be held **from 11 a.m. to 5 p.m. on Wednesday 9 February 2011**. To allow time for translation, any amendments must be submitted by email to the commission secretariat by **no later than Sunday**

CdR 402/2010 EN/o

30 January 2011 (email address: <u>ecos@cor.europa.eu</u>).

DOCUMENT SUBMITTED FOR TRANSLATION: 17 January 2011

Reference document

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion* COM(2010) 758 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

Visibility and commitment...actions speak louder than words

- 1. Welcomes the commitment by the EU to lift at least 20 million Europeans out of the risk of poverty and social exclusion by 2020 and welcomes the Communication from the Commission "*The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion*" (COM(2010) 758 final) as a dynamic framework for action to support achieving this target;
- 2. Welcomes the greater visibility given to poverty and social exclusion in the Europe 2020 Strategy, and agrees that the social dimension should be at the heart of this strategy;
- 3. Notes that the test of success of the flagship initiative will be the extent to which it initiates, encourages and supports actions that deliver real sustainable change on the ground;
- 4. Calls on the Commission and Member States to demonstrate genuine political will to translating the EU level commitments on poverty into real action in close cooperation with local and regional authorities, and take this opportunity to build a fairer, more just and more equitable society;
- 5. Notes, however, that poverty and social exclusion cannot be sustainably reduced, nor inclusive growth achieved, without tackling inequality; notes that increased growth and employment during the period 2000-2008 did not have a substantial impact on poverty, whilst inequality increased in many countries; this situation has worsened as a result of the impact of the ongoing social and economic crisis;
- 6. Emphasises that employment alone does not guarantee a route out of poverty and that further action is required to combat in-work poverty, and ensure access to quality, sustainable employment and regrets that the key issue of ensuring an adequate income, in line with Council Recommendation 92/441/EEC and the 2008 Commission Recommendation on Active Inclusion is not further emphasized;
- 7. Reiterates its call for targets on poverty and social exclusion to be brought within the broader framework of a new socio-economic model based on an overarching objective of high quality of life and well-being for all EU citizens;
- 8. Recognises that competence for delivery of actions on the ground in this area rests primarily with Member States and local and regional authorities, although the Commission can support this through EU funding and facilitating mutual exchanges of best practice, shared knowledge, and through proper assessment of the social impact of EU policies; welcomes in

this context the Commission's commitment to social impact assessments but requests these impact assessments to become territory-sensitive;

- 9. Reiterates the need to introduce a social horizontal clause which ensures that Single Market related legislation takes into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, a high level of education, training and the protection of human health, and does not limit in any way the exercise of fundamental rights as recognised in Member States and in the EU treaties;
- 10. Acknowledges the work undertaken during the European Year for Combating Poverty and Social Exclusion (2010) to give greater profile to these issues; seeks the *European Platform* against Poverty and Social Exclusion to be used as a vehicle to ensure the European Year's legacy is rooted in the political priorities of the EU for the next decade;

Multiple-dimension of poverty and particular vulnerable groups

- 11. Welcomes recognition within the Communication of the multi-dimensional form of poverty and social exclusion, and in particular the explicit references to child poverty, young people, the elderly, the working poor (including lone parents and single-wage families), women, disabled people, migrants, ethnic minorities and the Roma people;
- 12. Welcomes recognition of the complex elements that contribute towards poverty, including access to employment, low income levels and personal debt, access to basic services, education, health, mental health, housing, as well as the challenge of inter-generational transmission of poverty and the territorial dimension to poverty;
- 13. Welcomes the reference to the importance of combating homelessness and recalls its recent opinion on the issue¹;
- 14. Refers to its opinion on the Green Paper on pensions² and welcomes the Commission's announcement to present in 2011 a White Paper to address sustainability and adequacy of pensions;
- 15. Reiterates the call for the Commission to set an ambitious European social housing agenda which will strengthen its role in social inclusion policies in the next generation of structural funds and confirm that the public service functions of social housing are to be defined at Member State level;
- 16. Agrees that a holistic and integrated approach, encompassing the needs of the different groups, and the particular challenges faced, is required to alleviate and prevent poverty;

¹ CdR 18/2010, adopted in October 2010.

² ECOS-V-008 CdR 319/2010 rev. 1 to be adopted on 27 January 2011.

- 17. Highlights the negative externalities associated with poverty and social exclusion, including the impact on health, mental health, impact on solidarity within society, lack of trust, disengagement, violence, and potential social unrest;
- 18. Calls for greater recognition from the Commission and from Member States that poverty is a shared problem and challenge for society as a whole, and not to be viewed as a stigma or failure of people who happen to be poor or socially excluded;
- 19. Welcomes the commitment to adopt at the June 2011 European Council a strategy for the social integration of the Roma;

Child Poverty

- 20. Highlights in particular the importance of addressing child poverty, which represents a badge of shame for EU society, and agrees that addressing child poverty is an important factor in tackling inter-generational transmission of poverty, which requires a holistic approach to prevention, placing the rights of children at the forefront;
- 21. Expresses disappointment that EU leaders could not agree to a specific child poverty target/commitment as part of Europe 2020;
- 22. Welcomes the references to tackling child poverty as a priority of the flagship initiative, however, regrets the limited commitment to doing this and the narrow perspective taken of child poverty, and sees no reason to delay adoption of the Child Poverty Recommendation in 2011;
- 23. Calls for a more comprehensive approach to the issue of child poverty, and notes that work is already advanced within the EU on this in terms of establishing "common principles", evidenced by the declaration signed by the EU Presidency Trio (Belgium, Hungary and Poland) at the Child Poverty Conference in September 2010, and the Employment Council's conclusions of 6 December 2010, which call for combating Child Poverty to be a priority;
- 24. Notes also the actions being taken at regional level to address child poverty in a more comprehensive way, further encourages best practises to achieve the best possible outcome in this regard;

Social, financial and economic crisis

25. Welcomes the references to the economic and financial crisis, however, is disappointed that the Communication does not go further; calls for more recognition to be given to the significant social costs that have resulted already, and calls for the Commission to undertake an in depth analysis of the impact the austerity measures being taken by national governments

across Europe are having and will have in the coming years on poverty and social exclusion, including the effect at local and regional level on provision of core services of general economic interest;

- 26. Reiterates the potential risk of a lost generation of young people as a result of the impact of the crisis, evidenced by the increase in youth unemployment to around 21% in the first quarter of 2010; however, reiterates that youth unemployment is a continuous problem fluctuating between 14.5%-18% during 2000-2008; notes that these figures disguise significant variations across the EU, between Member States and within Member States, and down to the level of small communities;
- 27. Calls for urgent action to address the consequences of high personal indebtedness; welcomes in this context the reiterated commitment to the Progress Microfinance Facility for microloans but urges caution in pursuing measures aimed at stimulating new forms of commercial micro-financing, driven by the pursuit of profit for the lenders rather than the pursuit of financially and socially sustainable economic activity;

Governance and partnership

- 28. Welcomes the references to engaging local and regional authorities through the Committee of the Regions as a way to increase focus on the territorial dimension of poverty and strengthen synergies in the delivery of EU funds; questions lack of reference to local and regional authorities in section 3.5 on stepping up policy co-ordination between Member States, given that in many Member States they have direct competence for social policy;
- 29. Calls for the Commission to give unequivocal backing to maintaining and building on the work of the Social Open Method for Coordination (OMC), exploring how regional and local stakeholders can be more effectively engaged in this process; highlights the value of its work in raising the profile of issues such as active inclusion and child poverty;
- 30. Seeks clarification on the status of the National Action Plans for Social Inclusion, and whether these will be integrated into the National Reform Programmes (NRPs) for Europe 2020; seeks reassurance that if this is the intention, this approach will not lead to a narrow focus on "macro-economic" targets, and that the Commission will reconsider reinstating NAPs for Social Inclusion should the mainstreaming approach not work effectively;
- 31. Suggests to the Commission to prepare EU level Guidelines for Member States to ensure effective participation of local and regional authorities and other stakeholders in the preparation of the NRPs; notes that "territorial pacts" are potentially the most comprehensive and coherent mechanism for involving local and regional authorities in this process, as envisaged in the Fifth Cohesion Report;

- 32. Expresses its concern at the postponement of the Communication on Active Inclusion to 2012, and asks the Commission to advance the publication of the Communication to 2011, including an assessment of implementation of active inclusion, including the adequacy and coverage and take-up of minimum income, the inequality in access to services of general interest as well as concrete proposals on how Community funds can be used to support integrated approaches to active inclusion;
- 33. Welcomes reference to participation of people experiencing poverty as a key objective of inclusion policies, and would welcome more explicit commitment in the flagship initiative about how the Commission proposes to do this, including the key target groups identified in the Communication. For example, is this envisaged as part of the high level steering committee that will be set up to drive forward the social innovation actions?

Territorial Cohesion and future EU funding

- 34. Welcomes reference to territorial cohesion in the title of the Communication and underlines the proposed Platform and the EU structural funds are not just delivery vehicles of Europe 2020 but perform broader roles in addressing the social and territorial cohesion objective that is part of EU treaties;
- 35. Agrees that paths should be explored to ensure a better use of these structural funds in support of the Europe 2020 objectives and supports the broadening of the European Social Fund focus from employability and quantity of jobs to combating poverty and social exclusion; notes that achieving a 75% employment target is not in itself sufficient to reducing poverty and social exclusion, and that more emphasis should be placed on addressing the working poor, and raising the quality and sustainability of jobs across Europe, including measures aimed at ensuring adequate incomes;
- 36. Advocates the earmarking at national level of specific funding for actions targeting the groups that are most at risk of poverty;
- 37. Supports efforts to enhance coordination/synergies between the different EU structural funds to ensure a joined up approaches to tackling the multidimensional dimension of poverty and social exclusion, including the territorial dimension to poverty;
- 38. Stresses the reality of the austerity measures taken in most Member States and underlines their immediate impact on people living in poverty and exclusion, and calls for flexible use of Structural Funds and other EU programmes to support actions that alleviate this;
- 39. Stands ready to assist the European Commission in monitoring the implementation of the Europe 2020 strategy by local and regional authorities through its Europe 2020 monitoring platform;

Social Economy, Social Innovation and Experimentation

- 40. Welcomes the contribution that the social economy, volunteering and Corporate Social Responsibility can bring in terms of providing added value to existing universal public service provision;
- 41. Agrees with the guiding principles adopted by the European Centre for Volunteers (CEV) on the European Year of Volunteering 2011, underlining in particular that volunteering, as an unpaid activity carried out of free will, must not be a substitute for paid work and should not be used as a cheap alternative to replace workforce, or government/public services as a cost-cutting exercise;
- 42. Welcomes initiatives aiming at encouraging companies to employ people from disadvantaged groups and taking better account of social considerations in public procurement;
- 43. Reiterates the importance of measures that simplify access of NGOs and small partnerships to EU funding, including facilitating access to global grants for small organisations;
- 44. And agrees that evidence-based social innovation can be crucial to developing new solutions or responding to new challenges, but emphasises that such an approach should recognise existing good practice across Europe, and seek to support and encourage transfer of best-practice, mutual-learning and peer-review by NGOs/community organisations, with a particular emphasis on small-scale actions and grassroots work of such organisations on the ground. Such actions should be introduced in a sensitive way to avoid any risks of stigmatisation of poor people, and we caution use of the phrase "social experimentation" for this reason.

Brussels,

II. PROCEDURE

Title	The European Platform against Poverty and Social
	Exclusion: A European framework for social and
	territorial cohesion
Reference	Communication from the Commission to the European
	Parliament, the Council, the European Economic and
	Social Committee and the Committee of the Regions The
	European Platform against Poverty and Social Exclusion:
	A European framework for social and territorial cohesion
	(COM(2010) 758 final)
Legal basis	Art. 307 §1, TFEU
Procedural basis	Optional referral
Date of Commission letter	16.12.2010
Date of Bureau/President's decision	-
Commission responsible	Commission for economic and social policy (ECOS)
Rapporteur	Ms Christine Chapman (UK/PES), member of the
	National Assembly of Wales
Analysis	16 December 2010
Discussed in commission	-
Date adopted by commission	-
Result of the vote in commission	-
Date adopted in plenary	-
Previous Committee opinions	- The social and economic integration of the Roma in
	Europe (ECOS-V-006, December 2010)
	 Combating homelessness (ECOS-V-001, October 2010)
	– The European Year for combating poverty and social
	exclusion (2010) (ECOS-IV-021, June 2008)
	- The future of the Lisbon strategy post-2010 (ECOS-
	IV-032, December 2009)
	- Active inclusion (ECOS-IV-019, June 2008)
	- Women and poverty in the EU (ECOS-051, October
	2005)
	– Partnerships between local and regional authorities
	and social economy organisations: contribution to
	employment, local development and social cohesion
	(ECOS-003, March 2002)

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