

## Notes of European Strategy Board meeting held 3 July 2009 at the Regional Partnership Centre

### PRESENT:

#### Members

Graham Ashmore ((UKTI, Chair European Single Market Group), Cllr Sir Albert Bore (WMLGA/CoR) – Chair, David Brown (Chair, West Midlands in Europe), David Burton (CWMCC), Philip Bushill-Matthews MEP, Chris Crean (WMRSF), Tim Gebbels (AWM), Malcolm Harbour MEP, Steve Kennett (GOWM), Cllr Roger Lawrence (WMLGA), Doug Mahoney (UKTI WM/AWM), Isabella Moore (COMTEC), Paul Richards (WMHEA), Laird Ryan (WMRA, Chair European Strategy Social Cohesion Group), Cllr David S Smith (WMLGA)

#### Officers

Jon Bloomfield (AWM), Esther Knight (WMRA), Glynis Whiting (WMIÉ), Patrick Willcocks (Chair REFPG), Louise Chilton (WMLGA)

Item	Discussion and Decision	Action
1.	<p><b>Apologies</b> Apologies had been received from Mike Cherry (FSB), Michael Clarke (WMHEA), Brendan Connor (AWM), Olwen Dutton (WMLGA/WMRA), Liz Lynne MEP, Roger McKenzie (UNISON), Julie Robson (LSC), Cllr Ken Taylor (WMLGA), Cllr Paul Tilsley (WMLGA)</p> <p>Thanks were expressed to Philip Bushill-Matthews who was attending his final ESB meeting for all his efforts on behalf of the Region as a Member of the European Parliament.</p>	
2.	<p><b>Notes of 27 February meeting and matters arising</b> The notes were <b>agreed</b> as a correct record of the meeting.</p> <p><b>Matters Arising</b> <u>Item 6 - Update on progress regarding the Midlands KIC bid</u> - JB reported on the latest KIC bid progress. The bid would focus on low carbon living and mobility, which would demand a high level of new skills and innovation, and would bring together important partners to give a sense of coherence to initiatives. AWM would provide leadership with support from the Regional Innovation and Technical Council and Science City, and would also draw in talent at Loughborough and Nottingham Universities. There had also been interest and commitment from the private sector eg Ove Arup</p> <p>The Midlands partnership was consolidating relationships with several European partners such as major universities in Hessen (including the Fraunhofer Institute for Industrial Engineering) and Lower Silesia partners who had more focused initiatives and were interested in development of clean energy technologies. The interests of partners at Gödöllői in Central Hungary were in more agricultural developments including bio-drivers and renewables. Emilia Romagna and Valencia had also expressed interest. It looked likely that Rhone-Alpes had put its weight behind another KIC bid</p>	

	<p>and therefore would not be involved in the Midlands bid.</p> <p>The Midlands had been approached by an academic consortium led by Imperial College and there had been discussions regarding combining the bids. It was now necessary to convince Imperial and regional partners that this would be the best route.</p> <p>The bid must be submitted by 27 August with a decision taken in mid December by the EIT Governing Board. Help with discreet lobbying by present/past MEPs in the Autumn would be appreciated. The bid would be a route to lifting the Region's profile making connections with other regions that could also be partners in other projects.</p> <p>During discussion the following points were raised:</p> <ul style="list-style-type: none"> <li>Concerns were expressed that the bid must have a direct output and the budget must be set down. This is particularly important from the point of view of local government, which faced a government spending audit on all products and services over the next 2 years. Local government should also be kept informed of developments. Assurance was given that Birmingham and Coventry Councils were key local authority players and the partner list was certainly not exclusive. Also, European Institute of Innovation and Technology presentations were now recognising the role of local government and there had been a shift to focus on the needs of the citizen.</li> </ul> <p>It was necessary to develop the mechanism of how local government could get involved in research and development alongside the work here – a change in mindset would be needed.</p> <ul style="list-style-type: none"> <li>The amount to be spent on this by the Commission over the next five years would be considerable and therefore its importance must not be underestimated. The Region's universities must be in the first round of the new structures. JB was requested to provide a short note for MH on partners listed and any political contacts who would need to be contacted.</li> <li>MH/JB to discuss lobbying</li> </ul> <p>It was <b>agreed</b> to have a progress report and further discussion at the ESB meeting on 18 September.</p> <p><u>Item 7b European Automotive Strategy Network</u> – it was noted that this group was still in the process of development and roles had not yet been agreed.</p>	<p>JB</p> <p>MH/JB</p>
	<p><b>For Information</b></p>	
<p><b>3.</b></p>	<p><b>Elected Representatives Report</b></p> <p>Board members were updated on elected regional representatives to the EU institutions following the recent elections. It was planned to continue to work with MEPs on the priorities in the European Strategy, and their input was valued. More information could be found in the WMiE 2009 European Elections Fact Sheet and the smallbusinessseurope monthly briefing special, that were tabled at the meeting.</p>	

	<p>The current mandate for the Committee of the Regions was coming to an end. The Region could nominate two West Midlands members: support would be provided through the national LGA. The outcome would be known towards the end of the year.</p> <p>The new mandate for the Congress of Local and Regional Authorities of the Council of Europe (CLRAE) would commence in October 2010. The term of office of the West Midlands Representative, Cllr Pauline Dee, was due to expire at the end of September 2009 due to the closure of her previous local authority at the end of March, unless a place would be made available due to vacancies created elsewhere following the June elections.</p> <p>Board Member comments included the following:</p> <ul style="list-style-type: none"> <li>• PBM highlighted an inaccuracy in paragraph 3.2.3 of the report, which stated that the Conservatives had gained support and caught up with the Socialists; in fact, in the last parliament the centre right had 80 seats more than the European socialists, with current figures at 264 (Centre Right) to 161 (Socialists)</li> <li>• PBM paid tribute to Neena Gill who had been very active on behalf of the Region during her time as a West Midlands MEP. Anthea McIntyre (Conservative) came 7<sup>th</sup> in the West Midlands list; if and when the Lisbon Treaty was ratified she would enter the European Parliament for the West Midlands</li> <li>• Paragraph 3.2.10 should also state that the leader of the Social Cohesion Group in the European Parliament was PBM</li> <li>• MH asked for the description of the new European Conservatives and Reformists Group as a centre-right Euro sceptic alliance to be changed to Centre right Anti federalist grouping – this description to be used in future.</li> <li>• Shifts within political groupings at the Parliament were still taking place.</li> <li>• The European Conservatives and Reformists Group and the Group of the European People’s Party (EPP) working together would have a clear majority.</li> </ul> <p>It was <b>agreed</b>:</p> <ul style="list-style-type: none"> <li>• To note the report</li> <li>• To invite all MEPs, CoR and CLRAE members to be members of the ESB.</li> </ul>	<p>EK</p> <p>WMiE</p>
<p><b>4.</b></p>	<p><b>Significant Events for the Coming Six Months</b></p> <p>Board Members were updated on past and future events related to the delivery of the European Strategy both in the Region and in Brussels. Of particular note were:</p> <ul style="list-style-type: none"> <li>• The ESB Annual conference on 2 October. Items discussed would be the Single Integrated Regional Strategy (SIRS), the KIC and the European Automotive Strategy Network, together with the social cohesion OPEN project</li> <li>• WMiE work and activity on: the single market, energy policies, profiling the ceramics industry (with Stoke City Council), the city plan (with Birmingham City Council), alumni links (with AWM and the HEA), a Young Chamber visit in early 2010 (with Herefordshire Chamber) and pilot activity to involve innovative West Midlands companies in the Belgium Bridge to Growth project, led by UKTI.</li> </ul>	

	<p>Members felt the round-up was particularly useful from the point of view of restructuring the agenda as it demonstrated a range of activity particularly relevant and valuable.</p> <p>It was <b>agreed</b>:</p> <ul style="list-style-type: none"> <li>• to note the contents of the report</li> <li>• to attempt to take part in the events highlighted.</li> </ul>	ALL
	<b>For Discussion</b>	
5.	<p><b>The Single Integrated Regional Strategy: Learning from European Best Practice</b></p> <p>Members were updated on WMiE’s investigative work on Single Integrated Regional Strategy (SIRS) best practice on behalf of the Joint Strategy and Investment Board by looking at other countries that may have initial approaches that the West Midlands could learn from at an early stage.</p> <p>Those regions already contacted had been interested in talking further. It was planned to bring a more substantial report to a future meeting.</p> <p>There was discussion regarding whether the list of regions chosen should be expanded to include those from “new” Europe, which would provide an opportunity for regions to learn from and be more reliant on the West Midlands. The brief given to WMiE had been very tightly defined but WMiE would be happy to widen this if asked to. Generally it was felt that the message to the JSIB was that it would be helpful to know what is going on in other regions and necessary to take advantage of others’ experiences.</p> <p>The Chair referred to the Barca report, which had suggested national and strategic assessments made by member states in partnership with local partners where the European Commission would draw up a strategy development framework to allow each state to produce a contract with EC. This would commit states to contact for the use of funds and would be signed off at local and regional level. This SIRS work was therefore very timely.</p> <p>It was <b>agreed</b> to note the report.</p>	
6.	<p><b>Progress on Priority 1 (Single Market) Working Group</b></p> <p>GA gave a report on the group’s progress so far, covering actions, membership, role, examples of activity and further plans. The Group had also drawn up a list of West Midlands companies and their present and future activities. Points made included:</p> <ul style="list-style-type: none"> <li>• Size of group membership was a balance between being small enough to discuss issues successfully and wide enough to embrace major players that had some influence in meeting objectives. It was hoped to bring in a business policy officer – GA to contact MH regarding this</li> <li>• The next event would be a fiscal stimulus workshop at UKTI on 7 July that would be attended by partners from France, Spain and Germany. GA believed that the Single Market Group should be owned by the International Business Group as well as the European Strategy.</li> </ul> <p>During discussion, the following points were made:</p>	GA

	<ul style="list-style-type: none"> <li>• The success of the group so far demonstrated that the original approach of the European Strategy, bringing focus on specific activities, was the correct one</li> <li>• It was necessary to balance activity and policy work, the importance of which could be illustrated in the following: <ul style="list-style-type: none"> <li>❖ The Directive on Single Market Services was due to be implemented in December 2009, with states being obliged to set up points of contact in every country, and a conference in Prague in January 2010. Information would be available to companies on the web but it was imperative that companies were made aware that they would have to bring about reform of their businesses into the system – specific action on this should be included on the Single Market Group company activity list</li> <li>❖ Practical feedback from companies on whether the new policies were working properly needed to be obtained</li> <li>❖ Help and training in accessing public procurement activities must be given to small businesses as they would need guidance through the volume of opportunities regarding what things were relevant and what they would have to do</li> </ul> </li> <li>• Languages and inter-cultural skills must also be taken into account – GA to put on the Single Market Group agenda for a future meeting.</li> </ul> <p>IM had recently had practical experience of dealing with the SME envoy in an appeal against a decision on a European Commission tender. This had been a very helpful process and she thanked PBM for his intervention.</p> <p>The Group’s progress was <b>noted</b>. A summary of progress from the other Priority Working Groups was tabled.</p>	<p>GA</p> <p>GA</p>
<p><b>7.</b></p>	<p><b>New Regional Structures</b></p> <p>This item set the context of the new regional structures that would be introduced following the Sub National Review. It was noted that West Midlands Regional Assembly would no longer exist following the abolition of English Regional Assemblies in 2010 and that WMLGA was in the process of changing to the West Midlands Leaders Board. A report regarding this would be presented at the full Association meeting for ratification on 8 July. This recognised that the Assembly exercised other roles including Europe through the European Strategy Board and that current European structures were at present appropriate although at some point following this, the ESB would be asked to revisit membership.</p> <p>During discussion the following points were made:</p> <ul style="list-style-type: none"> <li>• The ESB’s success in bringing different parties together to discuss the regional agenda was reflected in the architecture that had been shaped for the future</li> <li>• The Chair had already started to look at membership</li> <li>• The challenge would be to integrate the work done by the ESB, such as that on the SIRs, into the new structures</li> <li>• It was hoped that local government would be more focused following the changes and that they would lead to improvement. Everything must be logically transferred from the Regional Assembly but Members were reminded that until then the Assembly was still a statutory body.</li> </ul> <p>It was <b>agreed</b> to note:</p>	

	<ul style="list-style-type: none"> <li>• That the WMLGA would now be known as the West Midlands Leaders Board (WMLB)</li> <li>• That future structures would be likely to recognise the importance of European engagement at the regional level</li> <li>• The impact on future ESB membership.</li> </ul>	
<p><b>8.</b></p>	<p><b>West Midlands in Europe: Delivering the European Strategy</b></p> <p>GW reported on highlights of WMiE’s work over the past year to support the delivery of the European Strategy and also offered views on how the Region might wish to respond to policy challenges. The latest WMiE European Economic Recovery fact sheet was tabled. Points of particular note included:</p> <ul style="list-style-type: none"> <li>• There had been a big step forward in the transnational partner search service, working with EU Connects. EU Connects would assist with monitoring the amount of funding coming into the Region</li> <li>• Support was being provided for the CoR Automotive Crisis Intergroup – this would enhance the Region’s profile</li> <li>• The initiative of the West Midlands Chambers of Commerce to develop <i>smallbusinesseurope</i> was a flagship for WMiE.</li> </ul> <p>During discussion the following points were raised:</p> <ul style="list-style-type: none"> <li>• The EPP Group in the European Parliament was due to determine its candidate for European Parliament President with Jerzy Buzek a likely candidate for the centre right</li> <li>• The likely UK Candidate for Commissioner was Baroness Vadera who would take up the competition portfolio. This would be a significant move because of higher profile competition issues</li> <li>• The proposal to revive the working time directive issue had collapsed and would have to come back to Parliament, hopefully focusing on the on-call issue. This would be a key dossier in the opening months</li> <li>• PBM asked for some changes to be made to paragraph 5.6.2 on the EU Social Agenda. Change “...the electoral swing to the right in the European Parliament may influence future debates. However, continued pressure ...” to “...the electoral swing to the right in the European Parliament will influence future debates. Continued pressure ...” The following sentence also to be added at the end of the paragraph: “Alongside this there will be increasing focus on employment and social affairs”</li> <li>• The Swedish EU Presidency term began on 1 July. It was expected that the Commission would produce an updated strategy on encouraging and stimulating innovation that would include more emphasis on innovative procurement.</li> <li>• The Swedes would attempt to revive and get agreement on the Community Patent. Issues on intellectual property and realignment of trademarks would also be to the fore.</li> <li>• The UK Government had produced the booklet “The Future of EU Competitiveness: From Economic Recovery to Sustainable Growth”. Work on that was starting and it was hoped to engage in the next 18 months.</li> </ul> <p>It was agreed to <b>note</b> the report.</p>	<p>WMiE</p>

<b>9.</b>	<b>Any Other Business</b> There was no other business.	
	<b>FUTURE MEETINGS</b> The following future meetings were noted:  <b>Friday 18 September at 1100 at Birmingham Education Department Offices, Council House Extension, Margaret Street Birmingham B3 3BU</b> <b>Friday 27 November at 1100 at the Regional Partnership Centre</b>	