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European Union Committee

16th Report of Session 2004-05

**Finland's National
Parliamentary Scrutiny
of the EU**

Report with Evidence

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The European Union Committee

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Internal Market (Sub-Committee B)
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Finland's National Parliamentary Scrutiny of the EU

1. In accordance with our Review of Scrutiny¹ our Committee continues to meet and exchange views with corresponding Committees of other national parliaments². On 22 March 2005 we held a public session with colleagues from the Finnish Parliament.
2. Finland has a unicameral parliament, the Eduskunta, with 200 seats. The last general election, held in 2003, resulted in a close balance between the Centre Party (former Agrarian party) with 55 seats and the Social Democrats with 53 seats. The third largest party, the right-of-centre National Coalition Party holds 40 seats.
3. The Eduskunta has 14 permanent special committees that deal with matters falling to a corresponding ministry. In addition, there is a Grand Committee to which the plenary session can refer bills for consideration. The Committee's main function, however, is to deal with EU matters. The Grand Committee has 25 members and 13 alternate members, and is chaired by Jari Vilén of the National Coalition Party.
4. The Finnish Constitution sets out a system of scrutiny of EU policy that divides proposals into *U-matters* on which the Finnish government must seek parliament's approval before agreement in Council, and *E* or *UTP matters* on which the Eduskunta has the right to receive information. *U* matters tend to be pillar 1 (European Community) while *E* matters correspond to JHA and *UTP* is second pillar (CFSP).
5. The Committee was delighted to receive Mr Vilén and colleagues and a full transcript of the evidence is printed with this report. The principal topics addressed are:-
 - CFSP scrutiny and role of COSAC (Q 4)
 - Euroscepticism in Finland (Q 11)
 - EU Russia Relations (Q 16)
 - Lisbon Agenda (Q 3)
 - Ratification of the Constitutional Treaty (Q 11, Q 12, Q 13)
 - REACH Directive (Q 13)
 - Resources of the Grand Committee, and working methods (Q 6, Q 7, Q 8, Q 9, Q 14)
 - Role of Eduskunta in EU affairs (Q 3, Q 10)
 - Role of Eduskunta Special Committees (Q 3, Q 5)
 - Role of Grand Committee (Q 5, Q 13)

¹ "Review of Scrutiny of European Legislation" (1st Report, session 2002-2003, HL Paper 15)

² In the 2004-05 session, for example, the Committee met with the European Affairs Committee of the Danish Folketing as well as the European Parliament's Constitutional Affairs Committee.

- Role of MEPs (Q 13)
- Scrutiny at an early stage (Q 3)
- Services Directive (Q 14)

The Eduskunta has recently reviewed its scrutiny procedures and an English version of the report is available at:-

<http://www.eduskunta.fi/triphome/bin/hx6200.scr?{tetunnus}=suv01&{kieli}=en>

We make this report to the House for information.

APPENDIX: RECENT REPORTS

Recent Reports from the Select Committee

Session 2002–03

- Review of Scrutiny of European Legislation (1st Report Session 2002-03, HL Paper 15)
- The Future of Europe: National Parliaments and Subsidiarity—The Proposed Protocols (11th Report Session 2002-03, HL Paper 70)
- Government Responses: Review of Scrutiny of European Legislation, Europol's Role in Fighting Crime; and EU Russia Relations (20th Report Session 2002-03, HL Paper 99)
- The Future of Europe—The Convention's Draft Constitutional Treaty (41st Report Session 2002-03, HL Paper 169)
- Annual Report (44th Report Session 2002-03, HL Paper 191)

Session 2003–04

- The Future Role of the European Court of Justice (6th Report Session 2003-04, HL Paper 47)
- Remaining Government Responses for Session 2002–03 (7th Report Session 2003-04, HL Paper 60)
- Proposed Constitutional Treaty: Outcome of the Irish Presidency and the Subsidiarity Early Warning Mechanism (22nd Report Session 2003-04, HL Paper 137)
- Annual Report 2004 (32nd Report Session 2003-04, HL Paper 186)

Session 2004–05

- Clause 2 of the European Union Bill—the Constitution's Passarelle Provisions (15th Report Session 2004–05, HL Paper 102)
- Strengthening National Parliamentary Scrutiny of the EU—the Constitution's subsidiarity early warning mechanism (14th Report Session 2004–05, HL Paper 101)
- Developments in the European Union: Evidence from the Ambassador of the Grand Duchy of Luxembourg and the European Parliament's Constitutional Affairs Committee (3rd Report Session 2004-05, HL Paper 51)

Minutes of Evidence

TAKEN BEFORE THE SELECT COMMITTEE ON THE EUROPEAN UNION

TUESDAY 22 MARCH 2005

Present	Bowness, L	Marlesford, L
	Dubs, L	Neill of Bladen, L
	Grenfell, L (Chairman)	Renton of Mount Harry, L
	Harrison, L	Woolmer of Leeds, L

Examination of Witnesses

Witnesses: MR JARI VILÉN, MS HEIDI HAUTALA, MS MIAPETRA KUMPULA, MR TIMO SOINI and MR PETER SARAMO, Finnish Grand Committee, examined.

Q1 Chairman: First of all, I apologise for the slightly late start, but there were some interesting questions being asked in the Chamber and we thought it appropriate that our distinguished guests had a chance to see how we handle questions in the Upper House. I do not know if you found it interesting. May I begin by welcoming you very much indeed. First of all, Mr Vilén, an old friend, whom we are delighted to see here with your colleagues and we are very grateful to you for being prepared to spend a little time with us to talk to us about the work of the Finnish Grand Committee and to answer a few questions. We would like this to be a quite free-ranging discussion and any questions that you want to raise about the work of our Committee or any points that you want to make about the work of yours will be very welcome indeed. We have about 45 minutes, maybe a little bit more, in which to do this, so we have a chance to have a good discussion. Might I begin by saying how impressed we have been by the documentation we have received with your extremely comprehensive and, if I may say so, very elegantly translated document on improving European Union scrutiny. My thanks to you also for the fact that one or two of the more technical and complicated issues you have refrained from translating because we might not have been able to cope with it. It is a very impressive document indeed and, as I think you know, has already served in both Houses as a document which we need to study in order to be able to think clearly about how we too scrutinise our European Union legislation in our Parliament. Could I ask you, Chairman, whether you would like to make an opening statement? We are being recorded and therefore we will send you a transcript of what has been said afterwards.

Mr Vilén: Chairman, thank you for giving us the time to meet us today on our pre mission before your Presidency, which is actually a tradition in our country. We usually try to have a mission for the country that is going to be chairing the European

Union in advance to touch upon the issues which will be on the agenda and which we found the most interesting ones. Thank you for your kind words concerning the material that we have been providing, and especially I have to thank you on behalf of Mr Saramo, who was principally responsible for the translation who has been sitting with us in here and who has also been behind most of the work and reports that you have been receiving. He has been serving as the secretary for the specialist committee that we have dealing with the change of the procedures in our Parliament after the implementation of the constitutional treaty. We too appreciate the comments and your evaluation of our work. I have to respond on our behalf that we have always felt that in COSAC meetings the work of your Committee and the presence of your country has a most constructive one which has been needed sometimes in, I would not use the word “chaotic”, but in the most challenging work of COSAC from time to time, and I do believe that your presidency, especially at COSAC meetings, will be a most successful one in the months ahead. Mr President, with the very limited time we have available, I thought it would be good if we would try to respond to the questions you have got in your agenda for us but also, of course, on the Finnish side, we would be most interested in hearing from your side what are your thoughts and what are your priorities for the coming UK Presidency, and, of course, I have to ask also your expectations concerning the coming referendum about the constitutional treaty.

Q2 Chairman: Thank you very much indeed. This is, indeed, going to be a two-way discussion—I can see that Let me, first of all, say that, as far as the Presidency is concerned, as you know, there was a joint paper put forward by Luxembourg and the UK Presidency and that is in the public domain. We are very happy that we have this new system whereby presidencies do not operate as just a six-month presidency but they are looking both forward

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to what is coming in the next presidency and taking into account what has happened in the previous presidency. It is, in our political terms, what we call a joined up operation where we have a continuum of ideas and policies. I do not think it would be profitable for me to go through all of the items that we have on our agenda, except to say that, as you can imagine, we are very anxious to try and improve the Unions effectiveness and efficiency. When I say “we” I am talking about the Government, of which I am not a member and none of us around here are, but certainly the UK Government’s position is that they need to use the Presidency to increase the efficiency of the working of the European Union. We have a great interest both in Parliament and in the Government in seeing how we can get rid of over-regulation. This Committee is about to embark on an inquiry into regulation, and there has been quite a lot in the newspapers, including some today in the newspapers, about the degree of the burden that is laid particularly upon business, and there are some differences of opinion as to how great that burden actually is. We are, also, of course, very interested in the Lisbon agenda, and I think it is highly likely, although one cannot pre judge the outcome of the Luxembourg Presidency, that there may not necessarily be agreement on the financial perspective for 2007/13 by the end of the Lisbon Presidency, so we have to be prepared to take that on as well. There are many issues in there, and we would be happy, if you have not seen it, to let you have the joint programme.

Mr Vilén: We have it.

Q3 Chairman: We had the Luxembourg Ambassador come here at the beginning of the Presidency. We invite the Ambassador of the country entering the Presidency to present to us their programme. This leads me to a question, before we get to the issue of the referendum, which we will do, which follows naturally from what I have just said. I have noticed, reading your document, that the Finnish Parliament has been particularly effective in being able to start its scrutiny process well upstream, getting in as early as possible. This is something that we try to do as well, and this Committee itself has been very rigorous in starting its scrutiny as early as possible by looking, for example, at the annual work programme of the Commission and looking at the white papers and the green papers and, if necessary, using them as a starting point for an inquiry, but we are very interested in what you have done. I would like to ask you and your colleagues—and I hope that under your guidance and direction, Chairman, you will invite your colleagues also to speak—how successful you have been in being able to start the scrutiny

process as early as possible and if you could just run over once more for us—although some of this is in your documentation—how the structures in your Parliament enables you to do that?

Mr Vilén: Chairman, we believe that the system that we have been creating, which, I have to confess, is originally from Denmark but with a Finnish flavour to it, which means usually there is more flexibility in our system for the Government because the Danish model, we thought, was too strict and too difficult for the Government to handle in every change of situation in the European Union, especially in IGC type of negotiations, so there is some room and flexibility for the Government. We do receive the information immediately, and according to our constitution the Government has to provide all the information to us without any delay, and this has been working quite successfully and without any great difficulties in our country, but it took nearly two years to accomplish this work before our membership and immediately after our membership. I have to say that Mr Saramo is the best expert we have in here, because he was the person responsible for creating that system partially and, to be very honest and despite being on the record, I think he was one of the most loathed persons in the Civil Service because he was forced to give a call to his colleagues in the various ministries to say that according to the constitution: “You have to provide this information to us. If you do not do so, there will be criminal procedures against you.” But it was a very successful exercise and ever since we have been receiving all the information! We have been obliged maybe once or twice a year to give an oral reprimand to the Government when a document we have been waiting for has not come in on time. The system which we created 10 years ago has been working successfully and in a manner which we are satisfied with and now, as I said, we have had a special working group which studied our procedures for the future procedures according to the treaty and more or less, to be very honest, we found out that the system that we have is still sustainable. It is more about the details and about the responsibilities of various committees, especially our Committee and the Committee for Foreign Affairs, and also, which we find an extremely important one, trying to involve every single parliamentary committee of ours in the future procedures of the European Union, because our Committee depends on the expertise of the specialised committees. In areas like agriculture, for example, which is a very challenging area, we do need the expertise of the Agricultural Committee before we, the Finnish Parliament, form our opinion. I believe in the future the internal works of the Parliament, relying on the work of other committees is extremely important, but also it

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is quite important for our own work to have orientation for the challenges that are there. As you said, the Presidency has changed in the course of the years, Finland is in current negotiation with Austria for the next year's programme and after the notification of the treaty, it compels the Commission to provide their annual work programme, and I believe that this documentation will more or less form a base of how we will work in the future. For this year, for example, we have ourselves identified certain issues to be priorities in our work: enlargement, ratification of the constitutional treaty, the Lisbon agenda, the northern dimension policy and also, for example, the REACH directive and the Services directive, just to mention a few, and, of course, to make what other agenda items we may have. We have four issues that we are trying to be more proactive on than previously, trying to gain the information needed by us, but the system that we have created actually guarantees us the flow of information. I noticed with great interest that you have just published your own House of Commons Select Committee Report, which was published last night. You have exactly similar thoughts that I have concerning the special hearing of the Commissioners and special hearing of some of the experts and we are also planning on behalf of our Committee to have the information. On the level of information from the Government, I have to say that it has been most satisfactory from this Government and also from the previous administration. I think the unique feature we have is that the Prime Minister has taken the effort, even personally making phone calls from the wings of Council meetings to the Chairman of the Committee. Actually, the Prime Minister promised us last Friday when we had a meeting with him, that he will be providing on-line information from the European Council to the members of our Committee, which usually in practice means that he makes a phone call to me and then I forward the message to the other members of our Committee, usually by SMS, and this is quite a unique feature that we have. Some of my colleagues might like to add a bit.

Q4 Chairman: Please, yes.

Mr Vilén: Heidi Hautala is a former Member of the European Parliament, so she might have a perspective on both sides of the agenda.

Ms Hautala: If you would like me to, I would just like to bring a point into the discussion that puzzles me that is a little reflected by one of the questions that we received from yourselves. What are the ways to exercise a proper scrutiny on most aspects of EU ie those activities which are not subject to ordinary legislative decisions, ordinary legislative procedures,

according to the constitution? I wonder if there would be an opportunity during the British or the Finnish Presidencies within COSAC to do some common work. It is there, I think, that the national parliaments need one another, and I know, Lord Renton, that that has been your view as well, to use COSAC for what actually is crucial for the work in national parliaments, in each Chamber of national parliaments. My question is whether you have looked into how the new constitutional treaty actually affects the possibilities within those sectors and pillars of CFSP which remain outside the legislative scrutiny?

Chairman: I will give you a short answer to that, and that is, yes, of course it is of great interest to us. We have always been concerned about the fact that there are decisions taken within the institutions of the EU behind closed doors which we do not have much chance to take a look at. We feel that for the sake of proper transparency and openness in the European Union it is essential that national parliaments have a possibility to scrutinise decisions that are taken by the comitology procedure, for example, which are taken in committees of which we have little knowledge of what is going on. The way to deal with that is partly that you have to lean on your own government to make sure that they cooperate with us in making sure that these matters are brought to our attention and that we have our chance to be able to say what we think about it. It is not very easy, but I think that there is a growing understanding in the European Parliament, as far as I have been able to gather from talks with colleagues there, that they see why we regard it as necessary that these matters be opened up to us and that we have a chance to scrutinise them. Some of my colleagues might want to add to that.

Lord Bowness: Lord Chairman, thank you very much. Ms Hautala referred to CSFP. The sub-committee of this Committee, which deals with those matters, is concerned about the scrutiny of CSFP. We are worrying about too many decisions being made in informal meetings in conclusions, and the sub-committee did agree last week that we would not exactly mount an inquiry, but we would do some work with a view to producing some recommendations, after discussion with colleagues in the House of Commons, as a formula that perhaps we would be able to put to government some kind of protocol as to how this might work. I think we had in mind, Lord Chairman, that this might be useful for your meeting with COSAC in the UK Presidency?

Q5 Chairman: It will definitely be on our agenda for the COSAC. May I move on a little bit? We were very interested to read in your report that you also

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have some concerns about the amount of time that is devoted to the discussion of European Union matters in your Parliament in the Chamber. We have similar problems here, and it can become a very serious problem when there is a very heavy legislative agenda in which the managers of business in the House want to reserve the maximum amount of time for legislation and, therefore, we have very little time for discussions on European Union matters. A point that we have put to them is that European Union scrutiny is, in fact, a legislative function. I know that you have succeeded in putting the European Union right into the mainstream of your parliamentary business and that your standing committees, dealing with particular departmental issues, are the fora in which you can discuss European issues as well so that you have that broader perspective when you are discussing European Union issues. This is not so much the case here in our Parliament, but I would like to ask you how you are coping with the problem of getting European Union issues debated on the floor of your parliament?

Mr Vilén: It is a challenge, to be very honest with you, Chairman. I believe that we have been successful in having all the parliamentary committees and members of these committees to be committing themselves to European Union affairs. It comes naturally from the specific interest they have in the various committees in the field of agriculture, economics, etcetera. On the committee level, I think it more or less integrates part of our work, or the normal part of our work, but on the level of putting a debate before the whole Parliament, it has not been that successful, and I think, if you can be very honest, if the Government looks forward, like it always does during what I call the budgetary process, we have identified four areas of information from the Government and oral debate for two hours. I think at the end of the debate you might have between 20 to 30 deputies present. It is still, unfortunately, quite an exclusive group of people who have influence or interest in these matters. We have been discussing with the chairmen of the committees of the parliament that we do need to introduce specific issues to debate two, three or four times a year on our parliamentary agenda for encouraging the participation of all committees and also demonstrating the interest and demonstrating the necessity for this type of debate also for every single member of the parliament. Luckily we have a Speaker of parliament, who is a very committed European and who is most interested in bringing the issues to our agenda. I believe we have a chance. Our parliamentary work load gives the chance for this kind of debate also, because we also have a tradition of urgent debates

about specific matters, and there has always been reservation for these committee-sponsored debates maybe four, five times in six months' time. This kind of debate can also be specifically used for debates about the European Union. Now that the treaties are coming up for ratification, we will have much discussion and debate within Parliament about the European Union. Parliament will most likely receive the Government's Bill at the beginning of September and the idea is to ratify the treaty by the end of this year, which means that the autumn will be dominated by of the European Union versus nationalist debate in our Parliament. Then there are our parliamentary question hours, which we have every Thursday. I would say that in every single question hour, we get at least one or two questions which relate to the European Union. It has become part of our agenda. There is speculation that 60 per cent of our business relates to European Union matters, some say even more than that, so it is becoming more and more relevant to the other members of the parliament.

Mr Soini: May I stress a few points? As a member of the Grand Committee you really have all the information and you have access to the information concerning European Union matters, and it is very important, and you have really the possibility before and after the European Union Council meetings to question the ministers to say to them what we want to stress, what would be important for our point of view, what you should do in Europe, and when they have come from the meeting you can ask, "Are you satisfied with that? Do you think that we have succeeded in that?" The problem is that if you are not a member of the Grand Committee, it is very hard and you must be really interested in European Union matters to get an overall picture, because you do not actually have access to the debriefings (sic). There are sometimes papers which are labelled "confidential". That is it.

Q6 Chairman: Can you remind us, how many members are there on the Grand Committee?

Mr Vilén: Twenty-five plus 13 substitutes.

Q7 Chairman: Twenty-five plus 13?

Mr Vilén: Plus one member from the Fland Islands—

Q8 Chairman: The 25 is what percentage of the total numbers in parliament?

Mr Vilén: Over 200, so it is the biggest, it is the Grand Committee, and every single member or substitute member has the right to participate at all times. Roughly we have about 40 people.

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Q9 Chairman: Forty people out of?

Mr Vilén: Two hundred. It is a large percentage of the members of the parliament.

Q10 Chairman: Yes. Here in the House of Lords we have 70 out of 700, but if you take the number of members of the House of Lords who are regular working attendees of the House of Lords, then it is about one in four who are involved in the European scrutiny. So we are not dissimilar?

Mr Vilén: I had a chance to discuss with our colleague from Luxembourg, and what he said was striking to me and I have to say that I was quite pleased for him to understand what the situation in Finland has been. Luxembourg is one of the founder fathers of the European Union. He told me that still in the Luxembourg Parliament none of the parliamentary bodies deal with European Union affairs, they still are the sole responsibility of one committee, and I think in 10 years' time every single Finnish Parliament committee is dealing with European affairs, which shows that we have been able to spread the importance of the European Union in a small nation like Finland to every single parliamentary body. There is not a single deputy who is not somehow involved in European affairs. He might be a specialist in one specific sector of the European Union, but every single deputy has to know something about the European Union, which I think is extremely important and satisfactory for Finland, and also that they are committed to putting forward these issues. I am always told that the only good thing about the European Union is that usually the issues will re-emerge over at least two or three years, so you have time to get acquainted with certain issues on the agenda.

Chairman: Before calling on Lord Renton, I should have explained that Lord Bowness, who asked his question earlier, chairs our Sub-Committee on Foreign and Security Policy and International Development issues. Lord Renton is Chairman of the Agriculture and Environment Sub-Committee. I do not know whether his questions are going to be on that, but he is a very distinguished member of our Committee speaking on the floor.

Q11 Lord Renton of Mount Harry: Thank you, Lord Chairman. I wanted, if I might, to ask the Ambassador through him or any of his colleagues, a very general question, which is that here in Britain EU regulation often gets blamed for matters that have actually not passed through EU regulation at all. It is something that the local authority wants to do, Parliament wants to do and it is said, "That is all new. The EU has told us to do it." I wondered whether generally there was the same sort of problem atmosphere in Finland as here, and,

following on from that, is the Finnish public very interested in the careful scrutiny that the Finnish Parliament is doing of the EU regulations?

Mr Vilén: I think I will leave it to my colleagues to talk about the concrete examples there, but the simple answer is, yes, of course. For any achievements we have, we are thanking ourselves and all the blame we want to give to Brussels, and I think that is quite understandable. I think we have one specific example which Ms Hautala can tell you, but I think also it would be good for Mr Soini to add to that, because I think he is the person who has been most brilliant in utilising the criticism or scepticism in Finland against the European Union as the main ideology of his party, because he is one of the only euro-sceptics, I think, in the whole of the Finnish Parliament, but first, Ms Hautala.

Ms Hautala: I wanted to share with you, since you are dealing with agriculture and environmental legislation, that our environment committee, of which I am Vice Chair, discovered that the ongoing proposal for a directive on some kind of localisation, special data—

Mr Saramo: The special data bank.

Ms Hautala: —of the EU was probably very much exceeding the competences of the European Union and was based on a wrong legal basis and had awful ramifications on other EU law, other national law, in terms of access to information, for instance, and had a lot to do with violations of data protection. We sent a message to our sister committee, specialised committee, the agricultural committee, "Please take a closer look whether you come to the same conclusion as we." "Yes, we did." Then we passed the message to the Grand Committee saying that we have to alert the Government and the ministries that they should really have a second look at this proposal and that we very much believe that it is not a proper legal instrument. So that is something which you should look at, because I think it was supposed to be on the agenda of the Council on 10 March, so there are cases where specialised committees managed to identify and stop the proposal. It is very rare. In this case we discovered that, let us say, the procedure of thoughts had started within the Commission already and then somehow reflected to the national administration and then to the parliament.

Mr Vilén: But how to blame the Brussels for everything bad that it has done, I think is for Mr Soini to explain.

Mr Soini: You put some pressure upon me, but it is usually a matter that affects Parliament as well. I must confess that the European Union is an endless mine of diamonds in the sense that it is so fruitful to really criticise in good political style, but still, of course, in agricultural matters it is easy to blame the

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European Union for everything irrespective of whether you are a supporter of the union or not; but agricultural policy, which is solely a European Union matter, is a very big source of criticism all the time, and the farmers were very critical to the European Union, but now I think that for most of the farmers the EU has become a given fixture—. It is something that you must live with. I think that at the same kind of feeling grows in other areas of society, that the EU is going to be part of us, like it or not, but I must confess that if the opportunity arises I will use it.

Mr Vilén: You can hear that also the euro-sceptic member of the Finnish Parliament is most constructive, in substantive matters, Mr Soini has been able to join basically every single opinion that our Committee has put forward. Most of the opinions we have are based on consensus, so there is not really a disagreement in our basic principles.

Mr Soini: One more point, if you would allow me, Chairman. There will be a vote, whether we accept the constitution or not, in our Parliament because we do not have a referendum, but there is a chance for every MP to say “No” if they want.

Q12 Lord Renton of Mount Harry: When will that happen?

Mr Soini: At the end of the year.

Q13 Lord Renton of Mount Harry: At the end of this year?

Mr Vilén: At the end of this year. Public opinion, especially in the media, is pro European. The Finnish have always been very pragmatic, and the approach to the European Union has been pragmatic. When you have joined, try to benefit to the maximum, I think this would demonstrate the public opinion of the whole nation. There are people who are more interested than others and others who are somehow critical or sceptical about the whole existence of it, but it is a very Finnish approach, it is a pragmatic approach. Miss Kumpula may have a few words from the Government side. She is the sole government delegate we have here before you.

Ms Kumpula: That is not quite true. In Parliament we are more than half, but now in this delegation I am the only one. My idea is to bring in the special committee's role on the whole process, even if it is our Grand Committee which then sends it to the special committees, and sometimes the views are very different in different specialist committees. For example, it might be that on the REACH directive we have a very different idea in the Commerce Committee than the Environmental Committee because we listen to different kinds of specialist: we hear Finnish industry and trade unions and they see how expensive it will be or how it will effect

imported chemicals from Russia. The other thing is to listen to health specialists. How do they affect people's health? Then it is a big role for the Grand Committee sometimes even leading to a vote, when you have got many different points of view and then you have to have one view. On the other hand, I would like to also hear how, if you have a sub-committees, do they have different views and do you gather together or how do you solve that? On the other hand, also actually the Grand Committee's idea is to try to involve the chairmen of the different special committees. For example, the Lisbon strategy: we are quite proud that we have had already in several weeks official an opinion of the Finnish Parliament about the strategy, and we have sent our documentation to the Government how we do see it.

Mr Vilén: We just have to go with their opinion, because that will be a good decision.

Ms Kumpula: Yes. On the other hand, for example, the Bolkestein directive about services—we worked very much on that. I know my party, the Finnish Social Democratic Parliamentary Group, organised a special committee to work on that and it was delved into very deeply in at least five committees and then later on in the Grand Committee, and we had many doubts and much knowledge about the whole thing before it came for the first reading in the European Parliament. We tried to be involved as early as possible. What I think we could improve is to use the knowledge of our MEPs. I found it quite interesting that the Modernisation Committees proposal is to gather MPs, MEPs and peers four times a year. We are meeting with our MEPs, but when you meet once, twice a year the agenda is so general that we should maybe even more try to orientate ourselves.

Mr Vilén: Let me touch upon the MEPs issue, Chairman, very briefly. We have decided to strengthen our co-operation with the Finnish MEPs. We have two official meetings, but that is too little, but we have decided to focus on matters currently on the table. We always focus discussion on current issues. We have an interesting overall discussion over the coffee table, or something like that, but it is clearly focused on certain issues on our agenda. We just met our MEP delegation last week in Brussels, and the main issue was REACH. We had experts from their side, we had experts from our side, also including commission staff; preparing the legislation and our diplomatic corps. We will try to formulate and give this kind of formulation in the future and more detail. Of course, different parliamentary party groups have their own hearings and discussions with their MEPs. Clearly the MEPs are something that we have to also take much more into consideration in the future, especially after the

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treaty is in force and, broadly European Parliament becomes stronger and stronger, and to look at utilising them as much as possible as experts in our Committee hearings. Our constitution does not allow them to participate in our committee meetings. It is not allowed as long as we have legislation to be dealt with, but we try to compromise and find practical ways ie calling MEPs as experts in various fields. I do believe this is one of the elements that would be transformed in our Parliament after the treaty will be implemented.

Chairman: Thank you very much. On that point, in principle we have two meetings a year, a joint meeting with the House of Commons with members of the European Parliament, but otherwise, except when we invite them to come and give evidence as witnesses to our inquiries, they are not that much around, but we are looking to see how we can improve that situation. Before I ask Lord Woolmer, who chairs our Internal Market Sub-Committee and who, I am sure, will be happy to provide information on the Bolkenstein directive at which we are looking at the moment, could I answer very briefly a question that you asked in the course of your very interesting remarks, which was what happens if we have a disagreement between two of our sub-committees, which we call them instead of standing committees. That can happen. For example, I think I am not revealing any secrets if I say, there was a mild difference of opinion between our economic financial sub-committee looking into the future financing of the European Union on the question of the Common Agricultural Policy and that possibly emerging from Lord Renton's look at the reform of the Common Agricultural Policy. We are not bound to reconcile the differences between different committees. If they have differences of view, that is something that can be discussed at the level of the Select Committee, which has to approve all sub-committee reports—so we are not concerned if there are differences of opinion—and if there are differences of opinion which simply show that there are options, then the Select Committee will not try and say one is right and the other is wrong. We will simply say this is open for further debate. We are not under any real constraints.

Lord Renton of Mount Harry: I am learning a lot from you! It is very interesting.

Q14 Lord Woolmer of Leeds: I was extremely interested in the matter you raised about the Services directive, but can I tell you a little about how we look at that kind of issue and then ask you a couple of questions? We have been looking, as the Lord Chairman says, at the Internal Market and for the last two months or so we have been conducting an inquiry into the Services directive. To do that, as

other committees, we issue a call for evidence. We publish a terms of reference of inquiry and invite written evidence and then we take oral evidence from witnesses: industry, trade unions, interested organisations. Last week we visited Brussels to meet the Commission and the European Members of Parliament and industry, and so on, and then went on to Berlin and then to Warsaw to take a range of views, shall I put it that way. Yesterday we took evidence from our Minister and cross-examined the Minister, and we hope to publish our report in the first week of July just in case the European Parliament does manage to consider its first reading in that week; who knows. Can I ask you two questions? One is how do you conduct your own reviews in your committees? What kind of support do you have by way of officials, and so on, external expertise? We tend to appoint one external adviser/expert. Secondly, how often do your committees meet? How much time do you put in? I was mildly and pleasantly surprised, five committees looked at the Services directive. How often do these meet?

Mr Vilén: We meet every Wednesday and Friday, on Wednesdays for an hour and a half and on Fridays we start at 1.30 in the afternoon and sit for as long as it will last, which is a commitment of the members of the Committee. Because it is Friday afternoon everybody wants to rush to their constituencies, back to their homes, but usually we will be sitting between three and four hours because the Friday session is the session when every single minister has to come in front of our Committee to have the acceptance of the Committee before they come into next week's council meetings. We might be having seven members or ministers waiting for us to come in front of our committee. They can be waiting for two hours, two and a half hours, including the Prime Minister. Even the Prime Minister has to come in front of our Committee to give his statements and having an opinion of the Committee. The Friday sessions are quite lengthy ones. I have to say as its Chairman that I have been very privileged that we have a committee that is full of chairmen of the committees. Currently we have at least seven chairmen of the Committees of Parliament who are participating also in the Grand Committee is work and most senior members of the Parliament. I think I would say it is a high level of discussion, debate about European affairs every single Friday, and it comes from different aspects and areas of that. Coming to the statements, the basic statement of our committee is the committee agrees to the Government's decision—that is it; that is our whole statement—and it comes to the issues like agriculture, housing, exactly every single detail of the Agricultural Council. If there are 16 issues which are legislation issues, our Committee will give

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an opinion, “We agree with the Government’s decision”, but there are some elements which we have to identify ourselves where we want to take a stronger stand, whether it is exposing on the interests, whether Parliament overall sees the great interest of parts of our work. For example—Mr Saramo will correct me—at the beginning of this year we have been giving more profound statements on the Lisbon agenda, which is a very detailed position of our Committee. We will be giving a statement concerning financial perspectives and the Northern Dimension. We gave as the first national parliament of the European Union last year our opinion on the Services Directive, so we ourselves decide which are the issues that we will hear the experts and in which issues we want to have a higher profile in Parliament, and in these kinds of issues it is really solely our decision how we identify them. As I said, the Services directive is one of the issues, Northern Dimension is one of the issues, the financial perspective is another one, and then you can have an opinion of between five to seven, or even more, committees that will give you opinions after their hearing, after their experts have been heard, and then we formulate our decision, and the Services directive is truly something which I find one of the most important pieces of legislation of the Commission if Europe truly wants to fulfil the Lisbon agenda criteria, but it is full of differences and it is the most challenging one we have.

Ms Kumpula: A short answer to your first question, how we listen to experts in the sector committees: they meet up every day from Tuesday to Friday and approximately two hours a time. There we use our time by listening to expertise—trade unions, industries, whoever, professors and so on. The Grand Committee is different. We only have a written evidence, so then we do sometimes have a hard time really learning about the details of proposals and combining different answers and points of view to formulate the opinion of the Grand Committee.

Q15 Chairman: Chairman, I know that you have to leave to catch a plane.

Mr Vilén: Unfortunately we have to get back.

Chairman: Could you possibly spare us maybe 90 seconds more, because I know that Lord Marlesford and Lord Harrison both have questions, but if they could make them brief and we will squeeze them in?

Q16 Lord Marlesford: Very quickly two points. Some of us have had the impression the new Barroso Commission is going to be rather different to the previous one, more sensitive to other countries’ feelings, less bureaucratic, etc. I would be interested to hear your view on that. Secondly, how

do you see EU relations with Russia and what impact is the EU likely to have on how Russia develops?

Mr Vilén: Firstly, I think it takes a bit more than 90 seconds for this one, but I will try to be brief. I think we are all expecting great achievements of the Barroso. It was a very difficult meeting of the Commission. I was most pleased with his comments and first statements of the Commission, but I have to say that I have been becoming more concerned, especially what is the future of the Services directive because this Commission gave quite easily gave up the original position of the previous commission and transformed its position, and I think the future will also demonstrate what kind of role the Commission actually will have. Will they become the true leader of Europe, the spiritual and mental leader of Europe, which actually today is lacking? As a representative of a small nation I have to say that the political leaders like we used to have from the UK, from Germany, and so on, are definitely not there at the moment and the European Union truly needs political guidance and somebody who will demonstrate and highlight the common interests that we have. I think the Lisbon agenda is a test case in many instances. Is it possible to achieve? I am afraid that the coming European summit will be a disappointment to most of us in that respect and it will not deliver on the expectations that are there. Therefore the Barroso Commission is especially a great test of the resilience of the Commission and are they willing to put all their efforts into a new future? I think it is too early to judge them, because most of the legislation proposals they have in their hand come from the previous administration, comes from the previous commission. I do not think they have much of their own at the moment, and I think only I’m about a year, or after two years they will actually have their own agenda, truly their own commitments; so we have to see. What comes to Russia? We do hope that your Presidency will be a successful one in that respect, that there will be a ministerial meeting on the Northern Dimension, which is a gift from Finland to the European Union. We believe that the Northern Dimension can be the best and most practical form of co-operation between the European Union and Russia, and therefore I think that the European Union should have as common a position on Russia as possible, and I have to say that we have great concerns about the meetings between Chirac and Putin in France recently where some of the members of the European Union were trying to have their individual position with relation to Russia. It should be the common position of the European Union, and I think especially coming from the United Kingdom, I would be concerned why some Member

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Countries are invited to these kinds of meetings and some are not.

Q17 Chairman: Thank you very much. A division has been called in our Chamber and so I apologise to Lord Harrison. May I thank you very much indeed, Chairman Vilén for coming here with your

colleagues and for answering our questions. It was a pleasure having you here and it is a good demonstration of the co-operation and collaboration between national parliaments which my Committee as I have often said, holds in the highest importance. Thank you very much. I look forward to seeing you in Luxembourg in May.

Mr Vilén: Thank you.

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