

**Report to:** Cabinet  
**Date:** 4 May 2004  
**Report By:** Chief Executive  
**Title of Report:** Developing Relations with countries joining the European Union (EU) from 1 May 2004  
**Purpose of Report:** To inform the Cabinet on the actions to date in relation to joint working with Malta, to gain approval for the continuation of that activity and the further investigation of joint working with other specific Accession countries in pursuit of the joint Kent/East Sussex County Councils work programme.

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## RECOMMENDATIONS

The Cabinet is recommended to:

- (i) agree to the continuation of work started in relation to Malta;
- (ii) note the activity started in relation to the Trade Fair at Naxxar and the £15,000 contribution that has been set aside to progress this;
- (iii) agree the content of the proposed Accord with Malta and for the signing to take place at the Naxxar Trade Fair; and
- (iv) agree to contact being made with a limited number of 'best fit' Accession countries.

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### I. Financial Appraisal

1.1 The contribution to the Trade Fair (para 4.1) will be met through the Strategic Economic budget from the reported carry-forward of 2003/04 Chief Executive's departmental underspend. Any additional resourcing requirement to deliver joint projects would require further consideration through the reconciling policy and resources process.

### 2. Background

2.1 Over the past eighteen months Sussex and Kent County Councils have been investigating the establishment of a joint work programme with countries joining the EU from May 2004 that would help retain access to EU funding (through Community Initiatives like Interreg) and open up business opportunities with new European partners. A joint investigation to identify which of the 10 Accession Countries had the closest socio-economic match to East Sussex and Kent identified Malta as the closest fit, followed by Latvia, Lithuania, Poland and the Czech Republic. Detailed information on the compatibility exercise is available in the Members' room.

### 3. Activity to Date

3.1 Discussions with Maltese officials have resulted in two initial lines of activity:

- (i) civic twinning of Naxxar and Hailsham; and
- (ii) joint curriculum development of a new degree course 'Information Management for Business/E skills' as proposed by the University Centre Hastings (UCH).

3.2 Hailsham is pursuing accessing the Local Government International Bureau's (LGIB's) 'Twin Town Fund' to enable face to face discussion between Naxxar and Hailsham to take place in May at a subsidised cost.

3.3 Representatives from the University of Malta attended a meeting hosted by the Leader of the Council in October 2003 at UCH to discuss the proposed degree course and using Interreg as a possible funding stream. A reciprocal meeting, including representatives from the Hastings and Bexhill Task Force, was held in Malta in February 2004. A draft of the degree course was agreed and the EU funding Programme 'Socrates-Erasmus' was identified as a potential financial source

given Malta's Interreg allocation is too small to accommodate the project. The work will be taken forward by UCH in conjunction with the University of Greenwich.

#### **4. Naxxar Trade Fair**

4.1 In February 2004 at a meeting with the UK High Commission in Malta, Councillor Jones identified an opportunity to play a major part in the Maltese Trade Fair to be held at Naxxar between the 29 June and 11 July. The Leader of the Council authorised expenditure of £15,000 to sponsor the Trade Fair at a Lead Member Meeting in March.

4.2 The Trade Fair, which attracts two thirds of all Maltese residents and businesses, will this year focus on Health Care and Pharmaceuticals. Up to 12 East Sussex companies will be able to display their products and/or information at the Fair. Sussex Enterprise is helping to identify potential East Sussex companies.

#### **5. An Accord with Malta**

5.1 The County Council already has an Accord with Seine Maritime and the Somme as Interreg II partners. To take full advantage of future funding opportunities, a similar Accord would be useful with Malta, and it is recommended that this is officially signed at the Trade Fair in Naxxar. A draft Accord is attached at Appendix A.

#### **6. Continuing work with Accession Countries**

6.1 It is important that any formation of partnerships with the Accession countries is taken forward with caution as, in general, their infrastructure, skill and experience levels will be weak, thereby necessitating that the bulk of any work will fall on the existing Member of the EU. It is therefore recommended that, as part of the Kent-East Sussex work programme, officers, not politicians, make the initial contact, to make it easier to pull out of any discussions if necessary. Moreover, the progression of any partnership will necessarily involve expenditure by ESCC. If joint projects are developed the ESCC contribution could be as high as 60%. It will be vital therefore that any projects further the core activities of the County Council. There will also be staff resource issues if projects need to be managed.

6.2 On balance, however, a cautious and restricted investigation of the likely benefits in respect of developing partnerships with other accession countries in addition to Malta would seem to be prudent. ESCC should not be a late runner in the building of these partnerships. Further developed partnerships will be better placed to benefit from the new EU programme that will run from 2007-2013.

#### **7. Conclusion and Reason for Recommendation**

7.1 This report outlines the work undertaken in relation to joint work with Malta. Further joint working with Accession countries will help to retain access to EU funding and open up business opportunities with new European partners.

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#### **BACKGROUND DOCUMENTS:**

Accession Country briefings as produced by the South East Partners Brussels Office

Accord: ESCC, Somme and Seine Maritime