



Cynulliad Cenedlaethol Cymru **The National Assembly for Wales**

Y Pwyllgor Menter a Busnes **The Enterprise and Business Committee**

Dydd Iau, 16 Ionawr 2014
Thursday, 16 January 2014

Cynnwys **Contents**

Cyflwyniadau, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions

Arddangosfa Fasnach Cerddoriaeth y Byd (WOMEX) 2013 (Effaith a Gwaddol)—Sesiwn
Dystiolaeth 1 (Panel: Cyfarwyddwyr Gweithredol Cerdd Cymru)
World Music Trade Expo 2013 (Impact and Legacy)—Evidence Session 1 (Panel: Cerdd
Cymru Executive Directors)

Arddangosfa Fasnach Cerddoriaeth y Byd (WOMEX) 2013 (Effaith a Gwaddol)—Sesiwn
Dystiolaeth 2 (Panel: Trefnwyr Lleoliadau)
World Music Trade Expo (WOMEX) 2013 (Impact and Legacy)—Evidence Session 2 (Panel:
Venue Organisers)

Arddangosfa Fasnach Cerddoriaeth y Byd (WOMEX) 2013 (Effaith a Gwaddol)—Sesiwn
Dystiolaeth 3
World Music Trade Expo (WOMEX) 2013 (Impact and Legacy)—Evidence Session 3

Rheoliadau'r Rhwydwaith Trafnidiaeth Traws-Ewropeaidd (TEN-T) a'r Cyfleuster Cysylltu
Ewrop (CEF) (Cynhadledd Fideo)
Trans-European Transport Network (TEN-T) and Connecting Europe Facility (CEF)
Regulations (Video-conference)

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

These proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mick Antoniw	Llafur Labour
Rhun ap Iorwerth	Plaid Cymru The Party of Wales
Byron Davies	Ceidwadwyr Cymreig Welsh Conservatives
Keith Davies	Llafur Labour
Julie James	Llafur Labour
Alun Ffred Jones	Plaid Cymru The Party of Wales
Eluned Parrott	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Nick Ramsay	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
Joyce Watson	Llafur Labour

Eraill yn bresennol
Others in attendance

David Alston	Cyfarwyddwr y Celfyddydau, Cyngor Celfyddydau Cymru Arts Director, Arts Council of Wales
Verna Cruickshank	Cydweithredu Rhyngwladol, Trafnidiaeth Traws-Ewropeaidd International Cooperation, Trans-European Transport Network
Bet Davies	Pennaeth Cyfathrebu, Canolfan Mileniwm Cymru Head of Communications, Wales Millennium Centre
Jennifer Dunlop	Gwasanaeth Cyfreithiol Swyddfa Cwnsler Cyffredinol yr Adran Drafnidiaeth Legal Service of the Department for Transport General Counsel's Office
Robert Goodwill	Yr Is-ysgrifennydd Gwladol Seneddol dros Drafnidiaeth Parliamentary Under Secretary of State for Transport
Eluned Haf	Pennaeth Celfyddydau Rhyngwladol Cymru Head of Wales Arts International
Jane Peters	Pennaeth Cydweithredu Rhyngwladol, Trafnidiaeth Traws- Ewropeaidd Head of International Cooperation, Trans-European Transport Network
Anna Pöttsch	Cyfarwyddwr y Cyfryngau a Chyfathrebu, Piranha WOMEX Director of Media and Communications, Piranha WOMEX
Kathryn Richards	Pennaeth Diwylliant, Lleoliadau a Digwyddiadau, Cyngor Caerdydd Head of Culture, Venues and Events, Cardiff Council

John Rostron	Prif Weithredwr, Sefydliad Cerddoriaeth Gymreig Chief Executive, Welsh Music Foundation
Phil Sheeran	Rheolwr Cyffredinol, Motorpoint Arena General Manager, Motorpoint Arena

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Olga Lewis	Dirprwy Glerc Deputy Clerk
Andrew Minnis	Gwasanaeth Ymchwil Research Service
Siân Phipps	Clerc Clerk
Robin Wilkinson	Gwasanaeth Ymchwil Research Service

Dechreuodd y cyfarfod am 09:16.

The meeting began at 09:16.

Cyflwyniadau, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions

[1] **Nick Ramsay:** Welcome to Members, witnesses and members of the public to this morning's meeting of the Enterprise and Business Committee. This meeting is bilingual, and headphones can be used for simultaneous translation from Welsh to English on channel 1, or for amplification on channel 0. The meeting is being broadcast and a transcript of the proceedings will be published. Could Members please turn off their mobile phones? There is no need to touch the microphones, as they should operate automatically. In the event of a fire alarm, please follow the directions from the ushers. We have an apology today from David Rees, and Julie James will be arriving a little later. We have no substitutions.

09:17

Arddangosfa Fasnach Cerddoriaeth y Byd (WOMEX) 2013 (Effaith a Gwaddol)—Sesiwn Dystiolaeth 1 (Panel: Cyfarwyddwyr Gweithredol Cerdd Cymru)

World Music Trade Expo 2013 (Impact and Legacy)—Evidence Session 1 (Panel: Cerdd Cymru Executive Directors)

[2] **Nick Ramsay:** Item 2 on our agenda is the impact and legacy of WOMEX 2013. We are embarking on our first evidence session. The purpose of today's session on the world music trade expo—WOMEX for short—is to hear from the organisers and the Welsh music industry about the impact and potential legacy effect, both economic and cultural, of holding WOMEX for the first time in Wales last year. The sessions also have resonance with the committee's two new inquiries planned for this term on trade and inward investment, and EU funding opportunities 2014-20, particularly the creative Europe programme, which have an EU-world dimension. I welcome our witnesses to this morning's committee. A very warm welcome to you. Thanks for agreeing to come in and give evidence and, as I should point out, at such short notice. Would you like to give your names, positions and organisations for our Record of Proceedings?

[3] **Mr Alston:** I am David Alston. I am arts director with the Arts Council of Wales.

[4] **Ms Haf:** Eluned Haf ydw i. Fe wnaf siarad yn Gymraeg, os caf. Rwyf yn bennaeth Celfyddydau Rhyngwladol Cymru. **Ms Haf:** I am Eluned Haf. I will speak in Welsh, if I may. I am head of Wales Arts International.

[5] **Mr Rostron:** Good morning. I am John Rostron and I am chief executive of the Welsh Music Foundation. I do not normally talk like this; I have a cold, so I apologise.

[6] **Nick Ramsay:** There is a lot of it about at this time of year.

[7] **Mr Rostron:** I would keep away.

[8] **Mick Antoniw:** I will move up the table.*[Laughter.]*

[9] **Mr Alston:** I should say that, together, we are directors of Cerdd Cymru: Music Wales.

[10] **Nick Ramsay:** It was remiss of me to not point that out, and, again, thank you for being with us today. We have a fair number of questions for you, so I propose that we go straight into those. The first is from Keith Davies.

[11] **Keith Davies:** Diolch, Gadeirydd. Rwy'n mynd i siarad yn Gymraeg hefyd. A allwch chi ddweud wrthym beth oedd y broses o sicrhau bod WOMEX 2013 yn cael ei gynnal yng Nghymru? Pwy oedd eich partneriaid a phwy gymerodd yr awenau a dechrau'r holl beth? **Keith Davies:** Thank you, Chair. I will speak in Welsh as well. Could you outline the process of ensuring that WOMEX 2013 was held in Wales? Who were your partners and who took the lead and started the whole thing?

[12] **Mr Alston:** Bringing WOMEX to Wales has been a long process. Things like WOMEX do not happen overnight. It is the result of really strong partnership building, and it is also the result of a strategic desire to get Wales onto the world stage. It goes back, probably, to 2005. Jointly, the Welsh Music Foundation and Wales Arts International—the international arm of the arts council—in seeking fora where you could position Welsh music, recognised that the meeting place, globally, for world music was WOMEX and that it was an event that, first of all, we had to get to, before we could get the event to Wales. Perhaps I can ask Eluned and John to talk about those early years and what we had to do to establish our presence.

[13] **Ms Haf:** Yr hyn a oedd yn bwysig iawn oedd bod yr ymchwil a gafodd ei wneud gan y Sefydliad Cerddoriaeth Gymreig wedi pwyntio at WOMEX fel marchnad ar gyfer math penodol o gerddoriaeth. Mae marchnadoedd eraill hefyd yn y byd megis South by Southwest, Midem a rhai eraill pwysig iawn. Fodd bynnag, dyma'r farchnad ar gyfer cerddoriaeth ieithoedd amrywiol, cerddoriaeth werin a cherddoriaeth mwy amgen. **Ms Haf:** What was very important was that the research undertaken by the Welsh Music Foundation had pointed towards WOMEX as a market for a particular kind of music. There are other markets in the world, such as South by Southwest, Midem and other very important events. However, we identified this as the market involving music in various languages and folk music and more alternative music.

[14] Y broses a roesom at ei gilydd oedd bod WMF yn cefnogi busnesau i fynd allan a'n bod ni'n cefnogi cael artistiaid allan i'r lleoedd hynny, a'n bod, efo'n gilydd, yn cael stondin o Gymru, achos roedd stondin The process that we put together was that WMF would support businesses to go out and that we would support artists in getting out to those places, and that we would, together, have a stand for Wales, because there was a

Brydeinig, stonidin Albanaidd a stonidin Wyddelig ond nid oedd cynrychiolaeth gan Gymru. Dros y blynyddoedd, aethom i drafodaeth efo'r trefnwyr ynglŷn â sut byddai modd cael y digwyddiad—sydd wedi bod yn Lloegr—i Gymru. Ar y pryd, roedd yn edrych yn annhebygol iawn, achos roeddech yn gorfod rhoi cais am dair blynedd at ei gilydd, ond daeth galwad allan ar gyfer dim ond un flwyddyn ac roeddem yn meddwl, 'Beth am drïo am hwn?'

[15] Y peth pwysig ofnadwy ar gyfer yr hyn a ddigwyddodd ar y pwynt hwnnw oedd creu'r bartneriaeth o amgylch Cerdd Cymru. Felly, er bod Cerdd Cymru yn bartneriaeth rhwng Celfyddydau Rhyngwladol Cymru, Sefydliad Cerddoriaeth Gymreig a Chyngor Celfyddydau Cymru, ar gyfer y digwyddiad, tynnwyd Cyngor Caerdydd, Motorpoint Arena a chanolfan y mileniwm i weithio ar y cyd i wneud yn siŵr bod y *logistics* yn eu lle a bod gennym y *venues* priodol. Rwy'n meddwl bod hynny'n rhywbeth a wnaeth guro dinasoedd eraill megis Porto, Paris, Dulyn a Glasgow. Rwy'n meddwl ei bod wedi bod yn wers ddilys iawn ar sut i greu partneriaeth a'i rhoi ar waith wedyn.

[16] **Keith Davies:** Ni wnaethoch sôn am Lywodraeth Cymru. A wnaeth Llywodraeth Cymru gymryd unrhyw ran?

[17] **Ms Haf:** Llywodraeth Cymru a wnaeth yr holl beth yn bosibl wrth inni allu gwneud cais am arian. Pan oeddem yn ysgrifennu'r *bid*—achos roeddem yn gorfod cystadlu i ennill WOMEX—roedd yn hollol ddibynnol ar gefnogaeth yr uned digwyddiadau mawr. Pan oeddem yn ysgrifennu'r *bid*, fe wnaethom iwsio'r model a gafodd ei roi at ei gilydd ar gyfer Cwpan Ryder, er ei fod yn ddigwyddiad cwbl wahanol, ond roeddem yn gwybod bod Cymru wedi gallu curo'r Alban ar rywbeth a oedd yn ganolog i economi a chwaraeon yr Alban, ac, yn yr un modd, roeddem yn gweld Glasgow fel, mwy na thebyg, y ddinas a fyddai'n ennill. Aethom ati drwy greu'r model *legacy*—nid digwyddiad am ddim ond un penwythnos yng Nghaerdydd ydy hwn, ond rhywbeth sydd yn trawsnewid yr holl ffordd rydym yn gweld economi cerddoriaeth Cymru gyfan.

British stand, a Scottish stand and an Irish stand, but there was no representation from Wales. Over the years, we entered into a discussion with the organisers about how it would be possible to get the event, which has been held in England in the past, to Wales. At the time, it looked most unlikely, because you had to put together a bid for three years, but a call came out for just a single year and we thought, 'Why not go for this?'

The extremely important thing in terms of what happened at that point was the creation of the partnership around Cerdd Cymru: Music Wales. So, although it is a partnership between Wales Arts International, the Welsh Music Foundation and the Arts Council of Wales, for the event, we drew in Cardiff Council, Motorpoint Arena and the millennium centre to collaborate in order to ensure that the logistics were in place and that we had the appropriate venues. I think that that was something that beat the competition from other cities such as Porto, Paris, Dublin and Glasgow. I think that it was a very pertinent lesson in how to create a partnership and then implement it.

Keith Davies: You did not refer to the Welsh Government. Did the Welsh Government take any part in this?

Ms Haf: The Welsh Government made it all possible in terms of our being able to make a bid for funding. When we were writing the bid—because we had to compete to win WOMEX—it was entirely reliant on the support of the major events unit. When we were writing the bid, we used the model put together for the Ryder Cup, although it was an entirely different event, but we knew that Wales had been able to beat Scotland on something that was central to the Scottish economy and Scottish sport and, likewise, we saw Glasgow as the city that was most likely to win. We approached it through creating the legacy model, so that it was not just a single event over one weekend in Cardiff, but something that would transform the way we see the whole Welsh music economy.

[18] **Keith Davies:** Roeddech chi'n sôn am weithgaredd economaidd. Faint o ran mae cerddorion yn ei chwarae mewn busnesau yng Nghymru sy'n mynd i ddod â phethau i mewn i'r economi yma? **Keith Davies:** You mentioned economic activity there. How much of a part do musicians play in the businesses in Wales that are going to have an impact on our economy?

[19] **Ms Haf:** Eithaf lot. A yw John am bigo i fyny ar hynny? **Ms Haf:** Quite a lot. I do not know whether John wants to pick up on that.

[20] **Mr Rostron:** To bridge the two questions and where you are coming from, in terms of the Welsh Music Foundation's role, we are the only body that looks after the music industry in Wales and we have been around since 2000. We have encouraged entrepreneurialism in our music industry in Wales and encouraged people to find and build the services that they need to support their career in the music industry, whether it be in a microbusiness or a major business, and to try to do that in Wales rather than going elsewhere. A very important part of that is to encourage them to get into the idea of showcasing their music, and of conferencing and networking in the music industry, which are things that, perhaps, when you are starting out in the music industry, at whatever level, you do not understand are part and parcel of how you build your career and your business. So, right back at the start, we were signposting the Welsh Government and other partners to networking and conferencing events that we thought were of an international standard in key markets and offered key opportunities where you might be a one or two-person business in Wales, but you could suddenly have a career and a business that was international. That was a long time ago, and that is a journey on which we found partners such as Wales Arts International, which was supporting artists to perform, and, alongside that, we wanted to take businesses out. It was our work in identifying things like WOMEX, South by Southwest and Midem, which are now seen and recognised as key markets for our businesses to go to, and which have enabled us to grow and sustain the industry in Wales.

[21] If you see the process through which our businesses have gone to get there, back in 2005, that was the first time that WOMEX had ever been to the UK, so we had a larger number of delegates from Wales going to WOMEX back then than had ever gone before. However, that was a handful of delegates; this year, by bringing it to Wales, we had 58 artists applying to showcase, which was a tenfold increase on any numbers we have ever had before. In terms of reaching out to our businesses, we had over 300 of the artists appear, play, meet and network, and we had several hundred delegates there as well. That is a huge number of businesses that will all benefit from that immediately and will be looking to go back out to those markets again. We have seen some instant results. We have seen artists such as Georgia Ruth, whose album was out, and that album has sold out. The record label, Sain Records in north Wales, is having to reprint more. It has been nominated for awards. She has booked her first-ever UK headline tour, which is selling really well. There have been instant results at a really small level, but we are seeing that across all of the sector.

[22] **Mr Alston:** Perhaps I could just say that what the partnership set out to do when it coalesced, both as Cerdd Cymru: Music Wales, and then as a delivery partnership, with the venues involved, was confidently deliver a world-class event as a catalyst for a sustainable and innovative Welsh music economy, and an allied creative and business sector, putting Cardiff and Wales on the map. That is what we are now measuring ourselves against. Has it acted as that catalyst? It was not just about a five-day event in Cardiff, or a five-night event in Cardiff. It was about a sustained process of building to the event and of coming away from the event with things to build on.

[23] **Keith Davies:** Diolch yn fawr. **Keith Davies:** Thank you. It looks as though Mae'n edrych fel petaech chi wedi llwyddo. you have succeeded.

[24] **Nick Ramsay:** The next question is from Rhun ap Iorwerth.

[25] **Rhun ap Iorwerth:** Bore da i chi i gyd. Rydych yn sôn am eich bwriad i ddelifro rhywbeth o safon byd-eang. Rwyf eisiau edrych, os caf i, ar sut yr ydych wedi gwneud hynny. Rydych wedi crybwyll y partneriaethau a ddaeth at ei gilydd. Beth oedd y drefn y gwnaethoch fynd drwyddi i lwyfannu unwaith yr oeddech wedi ennill y cais yn y lle cyntaf?

Rhun ap Iorwerth: Good morning to all of you. You talk about your intention to deliver something of a world-class standard. I would like to look if I may at how you have done that. You have mentioned the partnerships that came together. What was the process that you followed in order to host this, subsequent to your successful bid?

[26] **Mr Alston:** In terms of winning the bid in the first place—you got a chance this morning to talk to WOMEX about what it was looking for—we certainly positioned ourselves in the bidding process so as really to lay out the offer that Wales and Cardiff could make. We were very clear from the beginning that it was a Wales offer as well as a city offer, so we mobilised the city assets of stunning venues, very efficient and capable venues—a context that it would want to come to—and the ease of using the city to travel around. One of the most interesting things for us was that delegates came from 98 countries and experienced Wales, and we wanted them to take away a really fantastic impression of what the country is about creatively, and what it is like as a place. Some of these delegates were coming from places that are very different to Cardiff, and one of the most extraordinary things was that we spent a week with people coming up to us and saying what the warmth of welcome was like in this city, and how great it was to be in a peaceful place. These were delegates coming from world culture, which is often a very troubled place, but we gave them an experience of warmth and welcome, and of talent and creativity, which they have taken away with them.

[27] It was critical for us to impress upon WOMEX as an organisation that it would get something new by coming to Wales. So, there is definitely a feeling that people know what Scottish music is about, they know what Irish music is about, and we could say, ‘Come and discover Wales’. That meant that we were trying to build the event so that there were components that brought delegates in and gave them a broader experience of Wales, which actually built in a touring aspect to the WOMEX experience. Normally WOMEX happens for five days concentrated in one place, with lots of deals, lots of business, et cetera, but we took WOMEX on the road and paired them with Welsh bands, and there was a Horizons tour. It was those key-added-value aspects and the fact that we worked hard to ensure broadcast media coverage that meant that WOMEX was looking at an offer from Wales that had uniqueness about it—broadcast media development and interest in public engagement, which it had not had before. So, we looked carefully at trying to position ourselves in a very strong way.

09:30

[28] **Rhun ap Iorwerth:** Nid oes amheuaeth eich bod wedi llwyddo i werthu'r weledigaeth—roedd hynny'n glir iawn. Fodd bynnag, nid wyf i, yn fwy nag unrhyw un yn y fan hon, yn credu am eiliad bod popeth wedi rhedeg yn llyfn iawn ar bob cyfnod yn y gwaith paratoi. Beth oedd y prif sialensiau o gael gymaint o bartneriaid yn dod at ei gilydd i lwyfannu'r wyl unwaith yr oeddech wedi ennill y cais?

Rhun ap Iorwerth: There is no doubt that you succeeded in selling the vision—that was very clear. However, I do not believe for a second, any more than anyone else here, that everything ran completely smoothly at every stage of the preparation work. What were the main challenges of having so many partners coming together to stage the event once you had won the bid?

[29] **Mr Alston:** We did go through an awful lot of legals. To establish the partnership, we

went through memoranda of understanding and we did a collaboration agreement. We had to tie down all of the contributing parts that the different partners would bring to the table. That is now done, so we do not need to reinvent the collaboration agreement now. We did have that big hurdle to jump, in order to establish the contractual arrangements, almost, between the partners, but we now have a blueprint and we do not need to redo some of the stuff that we had to do as a one-off. We have a really strong basis to go forward in that respect—if that is the sort of thing that you are saying we had to negotiate.

[30] **Mr Rostron:** I would like to add to that. When we have a blueprint, you have a blueprint; we have created the blueprint for Wales. There are some things that perhaps, when I arrived, I took for granted. I thought, ‘Well, we’ve got the Wales Millennium Centre and we’ve got the Motorpoint Arena’, both of which I visited regularly, and I assumed that they must have worked together before, but they had never worked together. You are talking to venues later. In bringing those partners together, it was fascinating that they had not worked together before, but now they have and they have delivered something, and they can go on to deliver things again and Wales can deliver things again. Previously, in the case of sport, historically, organisations had to work together in a similar way, so that the venues met with transport and did all those kinds of things, and pulled that infrastructure together. So, we have a blueprint, Wales has a blueprint now, where it can go out and compete for those kinds of events and also create its own events.

[31] **Rhun ap Iorwerth:** Ond, *blueprint* ar gyfer beth? A oes cynlluniau i’r partneriaethau a gafodd eu ffurfio ac sydd wedi gweithio yn llwyddiannus gyda’i gilydd ar gyfer WOMEX i gydweithio ar bethau penodol yn y dyfodol?

Rhun ap Iorwerth: But, a blueprint for what? Are there any plans for the partnerships that were formed and which worked so successfully together for WOMEX to collaborate on any specific projects in future?

[32] **Ms Haf:** Hoffwn bigo i fyny ar y pwynt hwnnw, oherwydd mae pwynt pwysig o ran lot o agweddau y gallwn ddsygu ohonynt. Roedd y gwaith cynllunio yn amrywio o sut i weithio ar visas a darparu gwybodaeth ynglŷn â cherddoriaeth o Gymru—sydd dal, yn fy nhyb i, ddim ar y lefel y gallasai fod—i sut rydym yn symud ymlaen gyda phartneriaethau ehangach yn y sector i weithio ar ddigwyddiadau neu bartneriaethau eraill a sut rydym yn gwella’r hyn sy’n bodoli a chael mwy o bobl i brynu i mewn i gydweithio. Rydym wedi siarad am yr her o weithio mewn partneriaeth, ond roedd yn bartneriaeth llawer ehangach, wrth gwrs, yn cynnwys cerddorion a busnesau. Mae gwendidau o fewn y sector. Mae llawer o gamau positif iawn wedi cael eu cymryd ac mae’r gwaith y mae’r WMF yn ei wneud yn hollol dyngedfennol i gael rheolwyr ac asiantaethau ar yr ochr fusnes wedi eu lleoli yng Nghymru fel ein bod yn gallu cael y busnes yn dod yn ôl i Gymru. Mae lot o waith i’w gwneud. Mae WOMEX wedi ein helpu ni i fynd ar y trywydd, ond dechrau ydyw ac mae lot o waith i gario ymlaen i’w wneud ar hynny ar hyd y sector. Mae angen

Ms Haf: I would like to pick up on that point, because there is an important point in terms of many of the lessons that we learnt. The preparation work varied from how to work on visas and providing information about music from Wales—which is still, in my opinion, not at the level that it could be—through to how we progress with broader partnerships within the sector to work on other possible events or partnerships and how we improve what exists already and get more people to buy in and collaborate on this. We have talked about the challenge of working in partnership, but it was a far broader partnership, of course, including musicians and businesses. There are weaknesses within the sector. Many positive steps have been taken and the work that WMF has done is crucial to getting managers and agencies on the business side located in Wales so that we can bring that business back to Wales. There is a lot of work to do. WOMEX has helped us to get on that path, but it is only a starting point and there is much work to be done across the sector. We need an entirely holistic approach to this. We mentioned that the venues had not worked together in the past;

agwedd hollol holistig o ran hyn. Yr oeddem yn sôn nad oedd y *venues* wedi gweithio gyda'i gilydd; roedd gennym bwyllgor *legacy* ar gyfer y sector yng Nghymru, ac i drefnu'r teithio, ac yn y blaen, ac roedd pawb yn eistedd o gwmpas y bwrdd, gan gynnwys prif sefydliadau cerddoriaeth Cymru, ac nid oeddent erioed wedi eistedd o gwmpas bwrdd gyda'i gilydd o'r blaen. Felly, mae lot o bethau positif wedi dod o hwn, ond mae her i symud ymlaen.

we had a legacy committee for the sector in Wales, and organising the tours, and so on, and everyone sat around the table, including the main music organisations in Wales, but they had never sat around the table together before. Therefore, many positive things have emerged, but there are also challenges in moving forward.

[33] **Rhun ap Iorwerth:** Byddwn yn symud ymlaen i drafod *legacy* mewn munud, ond mae un cwestiwn olaf gen i—wel, dau gwestiwn mewn un. Am y cyntaf, rwy'n dyfalu y bydd yr ateb yn eithaf hawdd: a fyddai'n bosibl ei lwyfannu heb help Llywodraeth Cymru? Yn ail, rhowch grynodedd inni o'r math o ffynonellau ariannol ddaeth at ei gilydd i sicrhau bod yr ŵyl yn llwyddiant.

Rhun ap Iorwerth: We will move to discuss legacy in a moment, but I have one final question—well, two questions in one. For the first, I guess that the answer will be quite easy: would it have been possible to stage WOMEX without the assistance of the Welsh Government? Secondly, could you give us an outline of the sort of funding sources that came together to ensure that the festival was a success?

[34] **Mr Alston:** This is an event that does have a price tag with it, both to secure and run the event. It is around the £1 million mark and we know that, by the Welsh Government's calculations, that is a turnover of £1 million that has put £3 million into the local economy. So, there is an immediate return on just doing the event. There is definitely an appetite among the partners to look at what other eventing that we can do together. The immediate issues for Cerdd Cymru: Music Wales are around building the strengths of the sector. So, it is a matter of ensuring that when we get to those showcases people will no longer ask, 'So, where is Wales?'; they will have had that experience.

[35] **Rhun ap Iorwerth:** But, where did the money come from?

[36] **Mr Alston:** The Arts Council of Wales is a backer and supporter of this, not only in cash-flowing the project—the project needed a facility of around £186,000 to cash-flow it. It needed securing by an up-front payment to the organiser; so, there is a £100,000 fee to WOMEX. There is then the fact that we can balance the income that we get. It is a quite complex deal, but you get a proportion according to the number of delegates coming to the event. So, for each delegate who comes, their booking rate produces revenue. So, there is a revenue base to the event, but it still needs bridging that gap. The Welsh Government has bridged that gap, which is over £400,000, and it stepped up to the plate because we also got, and won in a unique way, the opportunity to run the opening concert. That is another competitive element of WOMEX that is offered openly. That was pretty key to us because there is a high risk. Actually, that set the seal on the fact that this was happening in Wales. It is very unusual for WOMEX to feature the country in the opening concert. So, it was a big gamble for us to actually say, 'Well, we've got an idea'. In Cerys Matthews we had someone who has actually been an evangelist for Welsh music, using her platforms on Radio 6 Music et cetera, and she had a particular take on something that she wanted to do. It was a strong idea. We got that, but that added in another cost basis. You could not recover the cost of that concert. It also added some income, but that is essentially a concert for the visiting delegates. If you have 1,000 delegates who rock up on the first night, you cannot sell the total capacity of the WMC for that.

[37] **Mr Rostron:** I just want to add to that. I think that it is important that one of the

things that was missed there was that we also drew revenue in spaces where WOMEX had never had revenue before. We did that and we do not take public money easily. We wanted to ensure good value; so, with that opening concert, we sold public tickets. It has never sold public tickets before, but we sold it out. With the evening showcase events, it has never sold public tickets before, but we put projections in and sold three times the amount that we had projected. We did that for two reasons: first, we wanted to ensure that we could open this up to the public and to everyone in Wales, but, secondly, we also wanted to ensure that we brought good value in and that we drew revenue.

[38] **Rhun ap Iorwerth:** Was there commercial sponsorship and that kind of thing as well?

[39] **Mr Rostron:** We pursued commercial sponsorship. Due to the fact that WOMEX moves around from country to country, one of the things that we discovered on that journey is that it is very difficult; it does not retain sponsors from place to place. To go back to your earlier question about what we would do again, one of the things is that we are shortlisted to host WOMEX again and Wales could look at hosting WOMEX again. The connections have been made in terms of sponsorship and introducing people to the concept of WOMEX. You have to remember that WOMEX has also only ever been to the UK once before—a long time ago—in 2005; so, it is a strange word and a strange concept to a lot of people. However, we have made a lot of contacts that would be very interested in coming back.

[40] **Mr Alston:** There was sponsorship by Air India. There is a major link there. Perhaps Eluned could say something about the links with India.

[41] **Ms Haf:** The connections that have been made for the future of WOMEX events have been invaluable, but there was whatever '*talcen caled*' is in English. It was difficult to convey to people what world music and a world music expo, which is for an industry, is in terms of the reach, if you are advertising. The next time around, if we did do it, we would have much more acknowledgement of the reach of the brand. Broadcasters were on side. For the opening concert, we had broadcasting sponsorship from the BBC, S4C and the independent sector, but, again, it was not as much as we had anticipated when we wrote the bid, because something called the recession kicked in in the middle and there just was not the money upfront, despite the fact that both partners now say what value there was in terms of return. However, there was a knock-on effect on us of the recession. Air India, however, did bring in some fundamental, useful sponsorship in terms of bringing people over from India and creating new avenues for us there.

[42] **Mr Alston:** I think that the India link is probably the link that this committee might be most interested in, because the fact is that there is some really strong current cultural interaction going on with India. We clearly know, also, that there is a major thrust over the economic interests of Wales and India. On the journey of Indian participation in WOMEX, I think that you should say a little bit more, Eluned, about India and WOMEX.

[43] **Ms Haf:** It has been really interesting to see. We did a launch of WOMEX in India because India was a priority for all of the UK and Irish partners as well as WOMEX itself. When the First Minister went out to India two years ago, we went to launch WOMEX as an event to attract the Indian music industry and we met Indian Government representatives. As a result, there has been a Welsh-Indian collaboration, which has showcased performances of amazing quality, but there is also the fact that the festivals that came have now started booking some Welsh artists to go to places from Calcutta to Mumbai and it is feeding into a whole host of programmes of activities, and not just in the traditional music sector; it goes beyond that, from film through to rock and pop. So, there is potential here; again, it is the beginning.

[44] **Mr Alston:** I did not realise that Bollywood films were mastered in the Vale of Glamorgan—I mean the sound is mastered in the Vale of Glamorgan.

[45] **Ms Haf:** The value of one small company mastering the biggest blockbusters of the Indian film industry from St Hilary, and Donal Whelan was able to open the doors for musicians in Wales to meet musicians from India—

[46] **Nick Ramsay:** I am sure that a lot of people did not realise the connection between the Vale of Glamorgan and Bollywood, but thanks for drawing it to the committee's attention. Rhun, are you finished with your questions?

[47] **Rhun ap Iorwerth:** Yes, thank you very much.

[48] **Nick Ramsay:** I think that you have inspired Byron Davies to ask a supplementary question with your Vale of Glamorgan-Bollywood link.

[49] **Byron Davies:** It is not about the Vale of Glamorgan, just something I am trying to get my head around. You get the funding or public money, but do you expect to come out of it with a profit to move on with or is it entirely a case of taking in money from the public purse?

[50] **Mr Alston:** Our initial business model was to try to find some way in which Cerdd Cymru: Music Wales would have something to reinvest beyond the event. We are not going to come out that way; it is going to be cost neutral in the end. I think that we have pushed all the income buttons that we could push. However, when it comes to the actual event, if you are operating two large-scale venues, booking them for five days and staffing them for five days, even at a cost basis—and the WMC and the Motorpoint Arena pared their costs to the minimum—you still have a cost that cannot necessarily be recouped by the attendance of 2,200 delegates. WOMEX had a 2% increase in the number of delegates on previous events, but that, in itself, did not feed all the way through to our bottom line, if you like.

[51] **Ms Haf:** No, not to our bottom line, but, in 18 months to three years' time, we should be looking at what it has done in terms of profits for our artists. We know that it takes up to three years to get returns because of what happened to 9Bach, who were signed by Peter Gabriel and Real World Records Ltd. They were showcasing in WOMEX back in 2010, and this year they announced a deal with Real World. We are a public-private partnership, and, yes, it would be good to be able to reinvest, but the reinvestment is coming in the form of what the artists and the companies are getting from this event.

[52] **Mr Alston:** What came out of the arts council's investment review was the desire to target money more broadly in the music sector than it had been doing previously. So, the music industry development fund has been critical in helping to prepare artists or give artists some of those opportunities to try to establish a base camp for themselves that they can operate viably from in Wales so that they do not have to move the IP and the activity out of Wales. That must be the longer-term goal, I would think.

09:45

[53] **Byron Davies:** I have one more question. I was defeated by the M4 this morning, unfortunately, and perhaps missed the point, but how much did it cost to put this on?

[54] **Mr Alston:** The whole event has a £1 million turnover. If you take also the collateral spend that we as an arts council made through lottery funding of programmes preparing artists and management via organisations such as WMF and Trac, you are looking at a public sector input around the £800,000 mark.

[55] **Nick Ramsay:** Okay. I need to move things on now, because we are halfway through the session. Alun Ffred Jones is next.

[56] **Alun Ffred Jones:** Diolch yn fawr iawn. Byddaf yn edrych ar waddol y digwyddiad, ond cyn hynny hoffwn nodi fy malchder i chi anrhydeddu Meredydd Evans a Phyllis Kinney yn y cyngerdd agoriadol.

Alun Ffred Jones: Thank you very much. I will look at the legacy of the event, but before that I would like to note my pride in the fact that you honoured Meredydd Evans and Phyllis Kinney in the opening concert.

[57] O edrych ar strategaeth y Llywodraeth, mae'n dweud yn glir mai un o fwriadau'r uned digwyddiadau mawr yw cynyddu adnabyddiaeth ac enw da Cymru yn rhyngwladol. Mae'n deg i ddweud nad oedd y rhan fwyaf o bobl rownd y bwrdd hwn erioed wedi clywed am WOMEX tan tua blwyddyn yn ôl. Pa mor bwysig yw WOMEX mewn gwirionedd ar y llwyfan rhyngwladol, felly?

Looking at the Government's strategy, it says clearly that one of the aims of the major events unit is to increase Wales's acknowledgement and reputation internationally. It is fair to say that most people around this table had never heard of WOMEX until about a year ago. How important is WOMEX on the international stage in reality, therefore?

[58] **Ms Haf:** I fi, mae'n un o'r prif ddiwyddiadau rydym angen rhoi ein buddsoddiad a'n egni iddo. Nid oherwydd ei fod tua'r un maint a rhywbeth fel y Ryder Cup neu rhywbeth chwaraeon—ni allwch gymharu'r math hwnnw o ddiwyddiadau—ond mae'r hyn sydd gan Gymru i'w gynnig a'r hyn sydd gan marchnad WOMEX i'w gynnig yn ôl yn hynod bwysig i ni, nid yn unig o safbwynt cerddoriaeth iaith Gymraeg a'i bod yn farchnad sy'n ehangach na'r farchnad *Anglo-American*aidd, ond mae hefyd yn farchnad sy'n dod â gwyliau ac asiantaethau a chwmnïau sy'n bwcio artistiaid o gymaint o wledydd gwahanol yma.

Ms Haf: To me, it is one of the major events that we need to put our investment and energy into. Not because it is of the same scale as the Ryder Cup or another sporting event—you cannot compare those kinds of events—but what Wales has to offer and what the WOMEX market has to offer back is extremely important to us, not only from the point of view of Welsh language music and because it is a market that goes beyond the Anglo-American market, but it also brings festivals and booking agencies and companies from so many different nations together here in Wales.

[59] Os edrychwch ar nifer y bobl a ddaeth o wlad Belg, er enghraifft, gwlad fach sydd nepell i ffwrdd sydd newydd ddechrau bwcio artistiaid o Gymru mewn ffordd sydd lot yn fwy ddifrifol, gwelwch fod 80 wedi dod o wlad Belg yn unig i WOMEX, a daeth y rhai o'r gwyliau i gyd yn dod i wrando am y tro cyntaf. Roeddent wedi dod i ddiwyddiad pwysig o ran yr hyn oedd WMF, gyda'n cefnogaeth ni, wedi'i wneud o ran tynnu rhai o'r mynychwyr i mewn yn gynharach i gyfarfod y diwydiant yng Nghymru a chael clywed mwy o gerddoriaeth Cymru na'r hyn oedd yn y digwyddiad ei hun.

If you look at the numbers of people who came from Belgium, for example, a small country not that far away that has just started booking artists from Wales in a much more serious way, you will see that there were 80 delegates from Belgium alone to WOMEX, and they came from all the festivals coming together to listen for the first time. They came to an important event in terms of what WMF, with our support, had done in terms of drawing some of the delegates in earlier to meet the industry in Wales and to hear more Welsh music than was in the event alone.

[60] Fe allai WOMEX fod wedi mynd a dod. Mae'r math o ddiwyddiad y gallwn fod

WOMEX could have come and gone. It could have been an event where we said, 'Well, it's

wedi dweud, 'Digwyddiad yw hwn a dyna ni, mae wedi dod ac mae wedi mynd'. Fodd bynnag, mae'r bobl sy'n cynnal WOMEX fel arfer yn rhoi eu *spin* eu hunain arno o ran yr hyn y maent eisiau cael allan ohono. I ni, roedd angen cael *legacy*. Roeddwn eisiau gweithio ar hynny, ac mae WOMEX yn cynnig hynny i chi.

[61] Fodd bynnag, o ran y ffordd mae WOMEX yn gweithio, bu hon yn flwyddyn ofnadwy o bwysig, ond bydd y flwyddyn nesaf, pan fydd yn mynd i Santiago, bron yr un mor bwysig i ni achos byddwn yn mynd yn ôl i wneud partneriaethau a chynnal y digwyddiad.

[62] **Alun Ffred Jones:** A gaf ofyn hyn yn benodol, felly? Rydych wedi cyffwrdd ar y peth o'r blaen. Pa ddeilliannau fydd i gerddorion a cherddoriaeth Cymru ac, yn sgîl hynny, i'r economi?

[63] **Ms Haf:** Yr hyn rydym yn edrych arno yw artistiaid megis Plu, band ifanc o'r gogledd sydd wedi cael coblyn o ddiddordeb wedi'i gymryd ynddynt. Maent dal yn y coleg. Rwy'n tybio y bydd hi'n bedair neu bum mlynedd cyn byddwn yn gweld beth fydd y budd iddynt fel band o ran lle y byddant yn gallu mynd. Fodd bynnag, mae'n rhaid i ni fedru eu cynnal yma yng Nghymru hefyd. Mae'r hyn sy'n mynd allan yn gorfod cael ei gynnal y tu fewn.

[64] Rhaid i ni fedru cynnal y safon a'r *aspirations* o fewn y bandiau iddynt weithio yn rhyngwladol. Mae ffyrdd o wneud hynny, ond, nid yn unig drwy gael *showcases* a bod ar lwyfan mae gwneud hynny. Mae'r bandiau sydd wedi bod ar lwyfannau y flwyddyn hon, flwyddyn nesaf mae angen iddynt fod allan yno gyda'u rheolwyr a'u hasiantaethau i gael eu bwcio. Rhaid gweithio ar hynny, nid yw'n rhywbeth sydd *just* yn digwydd. Nid yw pobl *just* yn dod, achos gallwch fentro y bydd grwpiau ac asiantaethau a rheolwyr o'r Alban a'r Iwerddon yn gwneud yr union waith maent wedi bod yn gwneud ers 25 mlynedd a mwy, a nad ydynt wedi bod yn yr un *league*. Felly, mae yna lot o waith i'w wneud o hyd, ac y mae'r gwaith sydd yn cael ei wneud drwy'r WMF i edrych ar ôl y diwydiant yma, a thrawsnewid hwnnw, yn un o'r agweddau pwysicaf.

been and it's gone'. However, the people who stage WOMEX usually put their own spin on it in terms of what they want out of it. For us, we needed a legacy. We needed to work on that, and WOMEX gives you that opportunity.

However, in terms of the way WOMEX works, this year was extremely important, but next year, when it goes to Santiago, is almost as important for us because it is a matter of going back to make partnerships and supporting the event.

Alun Ffred Jones: May I ask this specifically, therefore? You have touched on it before. What outcomes will there be for musicians and Welsh music and, as a result of that, for the economy?

Ms Haf: What we are looking at is artists such as Plu, a young band from north Wales that has had a huge amount of interest shown in them. They are still in college. I assume it could be four or five years before we see the benefit for them as a band in terms of where they can go. However, we have to be able to support them here in Wales. What goes out has also to be supported here at home.

We have to maintain standards and aspirations within bands for them to work internationally. There are ways and means of doing that, but it is not just through having the showcases and being on stage. The bands that have been on the stage this year, next year have to be out there with their managers and agents to be booked. We have to work at this; it is not something that is just going to happen overnight. People do not just come, because you can bet that there will be groups and agents and managers from Scotland and Ireland doing exactly the work they have been doing for 25 years and more, and we have not been in the same league. So, there is a lot of work still to be done, and the work being done through the WMF to look after the industry here, and transform it, is one of the most important aspects.

[65] **Alun Ffred Jones:** Beth sy'n digwydd, felly? **Alun Ffred Jones:** What is happening, therefore?

[66] **Ms Haf:** O ran WOMEX ei hun? **Ms Haf:** In terms of WOMEX itself?

[67] **Alun Ffred Jones:** Na—beth sy'n digwydd, felly, i geisio sicrhau bydd y cerddorion yn gweithio'n rhyngwladol a dod a budd iddynt eu hunain, ac, wrth gwrs, i'r economi, yn y pen draw? **Alun Ffred Jones:** No—what is happening, therefore, to try to ensure that those musicians will work internationally and benefit themselves, and, of course, the economy, ultimately?

[68] **Ms Haf:** Mae nifer o raglenni gwahanol, megis rhaglen cynnal y diwydiant a datblygu artistiaid, sydd yn cynnal ei hariannu drwy'r loteri. Mae David yn gyfrifol amdani, ac efallai byddai John yn hoffi dod mewn ar ddatblygu'r diwydiant. **Ms Haf:** There are a number of different programmes, such as the programme to support the industry and develop artists, which is funded by the lottery. David is responsible for that, and perhaps John would like to comment on developing the industry.

[69] **Mr Rostron:** Yes, I would like to pick up on that. I just want to go back to the thing about the major events unit. I cannot speak on behalf of the major events unit, but my view is that, if I were in its team, I would think it was a great investment. Not only did it show an instant economic return, which is a return on public investment, but, for the major events unit, it showcased to 98 countries, cultural and business ambassadors, that Wales could do business and could do culture, which is exactly what the major events unit is all about. Rather than it having to go to visit 98 countries or attend a load of conferences and trade fairs, it had those key individuals from business doing business in the day at the Motorpoint Arena, doing trade in those trade fairs that were so important to the economy, and then doing entertainment and culture at a world-class level. That is a great asset for the major events unit to have to go away with. I believe that, on the back of WOMEX, it went to Switzerland to look at securing the world half marathon for Cardiff and, in the room, were some of the same people who had been and heard about how well Wales could deliver something like WOMEX, so that is an incredibly important asset. I think that, for some of our businesses in Wales, one of the growing sectors in music, which we do very well, is festivals. We have some festivals that are hugely successful, and are growing and beginning to have an international reach. We have the Green Man Festival, Festival No. 6, and Swn Festival. We had 98 countries, again, going to look at them and going to talk to audiences and business about coming to do business with them. The potential for growth for those festivals in Wales, but also perhaps to look at their models of export, is really strong. We are very strong on the festival sector. So, I think that that deals with the issue of the major events unit.

[70] In terms of our music businesses, from the Welsh Music Foundation's perspective, we used WOMEX coming in to leverage some funding from the Arts Council of Wales to run a programme with 17 hand-picked delegates coming in, and to offer them a three-day showcase activity called Dolen Cerdd Cymru: Music Wales Connect, where we got them to meet 30 music businesses in Wales and do various speed-networking and getting to know what the music businesses in Wales were like. We also showcased additional artists to them, which they would not have seen at WOMEX. So, there were opportunities and Plu, the band that Eluned mentioned, was one of those acts that had not made it into WOMEX but was able to showcase to these people in a dedicated fashion, and is now doing business on the back of it. We were able to run an artist music managers business development course, which was aimed particularly at the traditional, the folk and the Welsh-language musicians, who perhaps do not have that bit of infrastructure around them because they have worked in what they perceive to be a small market of Wales, and realise that, actually, with a bit of infrastructure around them, and some management and business development skills, Welsh-language music,

in particular, in a digitised, global world, can now be exported really easily. There was a big awakening for many of those musicians and businesses, because they suddenly realised that to speak Welsh was an asset and that it would enable them to do business across the world. We are still running that programme. It finishes this month, actually. I guess that, from the Welsh Music Foundation's perspective, what we have also seen is a huge increase in traditional music, what we call world music, folk music, Welsh-language music, in terms of engagement from that sector, which has suddenly realised that it can go to do business.

[71] **Mr Alston:** I think that the real game-changing aspect of this is to obtain something that had its narrow market, and perhaps was struggling to be viable totally within that market, and suddenly say that that product is viable on a world stage, in a world context. I think that that is an interesting way in which Wales can position its cultural product in economic terms, because it has a message; it has credibility, if you like, in a world context.

[72] **Mr Rostron:** That is new. It is new. It is not that we have been doing anything wrong; it is because we live in a digitised, global world, where, if you are a musician, you can record much easier at home. We are building infrastructure in Wales to try to support you. You do need those skills; you still need to understand the concepts of publishing, licensing, sync work and so on, but you can do that. We talked about mastering Bollywood films from west Wales, but you can sell your records and own your intellectual property in Wales and reach a global market. You still need support when you go out to those markets; it is very specialised, particularly if you are trying to pick where, among your 98 countries, you are going to start. However, actually, the idea, particularly in the Welsh language, that you can suddenly reach this global market is very new, and it is technology that is enabling us to do that. That is why bringing WOMEX in at this time is incredibly timely. If you had done it 10 years ago, we would still have been pressing CDs and records and there would still have been a lot of physical and costly barriers. Those costs of export have gone down dramatically.

[73] **Nick Ramsay:** Okay, we need to move on. Ffred, are you done, yes? Eluned Parrott is next.

[74] **Eluned Parrott:** Thank you, Chair. David, you said that your target was whether we had put Wales on the map, but can you tell me what your specific strategic objectives were for WOMEX?

[75] **Mr Alston:** Well, they are bound up in that vision. Asking whether we could do an event that would be catalytic meant not just doing the event but looking at all the things that we could place around the event in terms of development programmes, readiness programmes for the musicians and the businesses and a media strategy to position the event. By our reckoning, the media coverage across the UK and global media was probably equivalent to just under £1 million of media buy. In other words, editorially, the coverage of Wales, its cultural product and the event in Wales, is worth that in terms of positioning. We worked at all the dimensions of the event and how it could work for Wales.

[76] **Eluned Parrott:** However, in terms of strategic objectives, surely you must have had measurable targets of, for example, changing X behaviour by X per cent over a period of X time.

[77] **Mr Alston:** Well, I think we have to take the view—. We certainly have objectives in relation to growing the size of the industry. You can look at, say, our percentage of the share of music tourism at the moment. It is actually quite low. However, we would be looking to target something like 2% growth in music tourism and comparable growth in the viability of our musicians basing their careers in Wales. However, you could ask when that is going to show, and I think that the complexity of WOMEX is that, certainly on the industry side for the bands, there are some quick hits in terms of profile, signings and gigs. There is also the

fact of how that pans out for the musicians over the next two or three years.

[78] **Eluned Parrott:** Okay. You have talked about some of the anecdotal examples you have of successes that you believe are due to WOMEX. In which case, if the data you are collecting relate to the successes of the music industry in Wales as a result of participation in the event, what data are you collecting? I am not talking about anecdotes, such as, 'Oh, they told us they have had a booking'. Are you collecting the number of bookings, the value of those bookings and over what time period in future will you be collecting that information?

[79] **Mr Rostron:** Last year, we had a record number of artists apply to SXSW, South by Southwest, which is the other key international music—it is rock and pop—trade fair, conference and showcase. This year—the event is in March—we have had a record number again. We have had a record number of businesses that applied to the Welsh Government for support to go to SXSW this year. Those are all things that are measurable by all the activity of WOMEX. We talk regularly in the music industry about international showcasing and all the things we have talked about today, but it takes quite a commitment for someone to go and take those first steps. However, when you bring it into Wales—and we gave you the numbers earlier for the number of people who came, saw, felt and experienced it and how they are following that up.

[80] With regard to the Welsh Music Foundation, we had 400 individuals recognise themselves as businesses and add themselves to our directory in the course of the past year. So, our growth in the sector went from the 1,200 businesses we had catalogued to 1,600 businesses, and we believe that that is all because of WOMEX coming in. So, it is an immediate return in terms of growth and the sustainability of the sector and people recognising that this is an industry and something that they want to move into or work in. Those are huge numbers.

10:00

[81] **Eluned Parrott:** What evaluation have you undertaken? You say that you believe that this is due to WOMEX. What evaluation have you undertaken with those individuals to identify whether or not there is in fact a causal link?

[82] **Mr Rostron:** We are publicly funded, so everything that we do we monitor. Everybody has to fill in forms as they come in to every event that we do. We measure search terms, for example, on our website, and our No. 1 search term for the last year and a half was 'WOMEX'. That is the information. We measure the tools that people download from our website, and WOMEX documents are the No. 1. In terms of what they are looking for next, it is the things that naturally follow on from WOMEX—the things that make sense wherever they are in their business career. So, when we ran the business manager's development course, the first part of that was an open call for people who recognise themselves as potential managers. Are you the person in the band who was kind of managing the band, or are you the person managing your friends' band? Were you starting to use that term? Do you want to come to an event? We had a record number of people apply for that, and we ended up having to whittle it down to 50 businesses to come in. When we were looking at why they were coming, and what had triggered that, WOMEX was the No. 1 reason.

[83] **Mr Alston:** We obviously undertook immediate survey work of all those who were involved in the event, and we are evaluating that now. We have a longer-term project over the coming year or so to track certain dimensions, if you like, of the event. We cannot resource a huge evaluation, though we are looking for a university partner or partners to look at some more longitudinal work on how you might track development of the music industry. So, there are plans in the pipeline to get the evaluation as a longitudinal thing, as well as just a short anecdotal survey.

[84] **Eluned Parrott:** It is a shame that that was not in the original business case—to plan for the evaluation. To be able to demonstrate a change from point A to point B, where, if you like, the thing in the middle, the thing that has changed, has been the event, you need to have collected evaluative data before the event, and some data after the event, to demonstrate a change, do you not?

[85] **Mr Alston:** We are also basing the strategy of going through the event on elements of research that were in place suggesting where the music industry was at before the event. So, it is a question not just of tying it down specifically to WOMEX, if you like; WOMEX will be a component part, and we imagine, yes, a significant one, and we will need to prove that over term, but we would certainly want to be in a position to feel a bit more solid about that and in attracting WOMEX back as an event.

[86] **Mr Rostron:** There is cause for supporting the mapping of the creative industries in Wales. Particularly, we are interested in mapping, but we are not funded to do so, and we do not have the resource to do so. On the mapping of the music sector in Wales, there is a recent report by UK Music that the value of the music industry to the economy as a whole is £3.5 billion. The UK is one of only three net exporters of music across the world, and the creative industries are the only area that, allegedly—according to a recent report, anyway—has survived the economic downturn and shown a growth in employment of 8%. However, we do not have any Wales-specific mapping for that. We would love that. If we had that now, and we had that in the future, we could add evidence to the work that we have done.

[87] **Eluned Parrott:** Finally from me, in terms of the operational aspects of the event, did you do an evaluation that was specific to the operational delivery, and if so, what specific areas were identified where improvements could be made should an event of a similar nature return to Cardiff or Wales?

[88] **Mr Alston:** I think that it is absolutely the right question, but we are in the middle of that now, in a way. The event had its immediate wash-up, if you like, but the partnership is still meeting and pooling our learning from the event. So, those things—

[89] **Nick Ramsay:** It is early days at the moment.

[90] **Mr Alston:** Yes. We are still at the point this month where we are reporting back to major events, and obviously part of the evaluation is in the report back to major events.

[91] **Nick Ramsay:** Eluned, did you want to say something briefly before I very briefly bring in Alun Ffred and move on?

[92] **Ms Haf:** I just wanted to pick up on two things that are at play here. There is an evaluation: we are reporting back to Government on what we put in place for the event. However, the wider legacy is much bigger than anyone had anticipated and has taken on a life of its own. We have had feedback from Community Music Wales and the projects that it has been running with schools, and toolkits have gone to 92 schools in Wales on world music. The potential of that with citizenship classes and all of the rest of it is just way beyond anything that any of us had anticipated. So, with the event itself, we had targeted £2 million being put into the economy, and we have hit £3 million. People came from every country, and a certain amount of challenges were overcome through visas and the rest of it. All of the targets have been hit, and they have been surpassed in most cases. However, the legacy life is something that is taking us to another stratosphere, and we are reviewing at the moment how we capture that. I think that that is really important.

[93] **Nick Ramsay:** Ffred, you may come in very quickly.

[94] **Alun Ffred Jones:** I am just thinking that we should see a copy of the report that is presented to the major events unit in future.

[95] **Nick Ramsay:** Yes, okay. We can do that. I now bring in Mick Antoniw.

[96] **Mick Antoniw:** You have answered most of the points that I wanted to raise. I will just come back to a couple of things. In terms of grass-roots community music activity, some feedback that I have had is that a lot of people feel left out of it and that it is oriented at a particular area. I will start by saying that these events are immensely important to Wales internationally, in terms of profile. They are not things that happen overnight either; there is the consistency that follows through. However, there is a feeling there that, 'Well, we do not know anything about it,' and, secondly, 'Well, it is not for us, et cetera; it is not for the day-in, day-out amateur.' I am even talking about groups and organisations that go out regularly, such as Dawnsyr Nantgarw. What could be done differently? First, do you think that that is a fair criticism? Secondly, what could we learn from that sort of activity?

[97] **Mr Rostron:** Part of the problem is the title 'world music', which even the organisers themselves are aware of. It is a term that, in a physical world, was used as a way to try to encapsulate a broad range of music. I was a newcomer to world music on this journey with WOMEX, and I really had my eyes opened to what that meant. I am a fan of rock music and things that are quite loud; trust me, there were some very loud things there. It was not all just fiddles and flutes. It was incredibly broad, and I think that a lot of people went on that journey as well. As we have said, there was huge public engagement in the way that that event would come, be warehoused and would go again. We made sure that that was not the case. We wanted people who were already enthusiastic, or who could be enthusiastic, and who wanted to try to come. They came in great numbers. Eluned was just beginning to talk about some community projects that we ran.

[98] **Ms Haf:** WOMEX is what WOMEX is. It is on the can. It is a world music showcase, meaning that it is competitive and that it is the best of the world that goes to it. You are selected competitively and internationally. That is the point of WOMEX. We use it for various other legacy purposes, including inspiring new audiences, which includes going to communities and working with Community Music Wales. There is a programme there that WOMEX started. I was talking about a Community Music Wales project, which took musicians who came to WOMEX to schools locally—up in Merthyr and beyond—with the support of Live Music Now and other partners. The tour went to 16 venues around Wales. Musicians from different places in the world and Welsh musicians went together to talk to local schools and local children. They brought different audiences in. How often do you get a Welsh-Indian collaboration performing at Neuadd Dwyfor in Pwllheli? Not that often, is the answer. The point is that these are things that we should be able to tap into in the future and work on in a more coherent way. That is from a professional point of view, which is what WOMEX is. We desperately need to be able to sustain professional lives within music in Wales. However, it is also about inspiring the amateur. We did that, and Dawnsyr Nantgarw performed in the opening concert. Local schoolchildren from the school here in the bay performed in the opening concert. They had not sung in Welsh on a stage before. These are all things that are important. There is so much that you can do and so many you can inspire. For some people, it was not their gig, and that is okay. It does not have to be for everybody.

[99] **Mick Antoniw:** Do you think that there is scope for greater synergy? This is a learning experience for everyone.

[100] **Ms Haf:** Absolutely. It is a big learning experience.

[101] **Mick Antoniw:** There are quite a number of major events in Wales. Do you think

that this is a learning experience that may lead to a greater synergy between the co-ordination of these events and, I suppose, the global presentation of Wales?

[102] **Ms Haf:** You are not going to have a good showcase of what your music is globally unless you have a healthy, thriving scene within the country. A healthy, thriving scene means the professional, the amateur and the education side inspiring young people and inspiring people to be the best that they can so that they can reach out. It is also about bringing the world to Wales and inspiring people about what is going on in the world through music.

[103] **Nick Ramsay:** David Alston is itching to come in on this question. So, let us put him out of his misery.

[104] **Mr Alston:** It is a similar point. We felt, as organisers of this event, that a major hole in our armoury was to be able to show the music of Wales and make it visible. The amateur scene is lively but it is under the radar sometimes. To be able to reflect that truly through a music information centre or some other platform—such as Finland has, where the professional sector and the musical life of the nation get a platform—is missing from Wales. We were desperate because we know that those delegates needed information. They needed stuff and they needed to be able to log on to a website. So, there is an information need and the synergy of what has come about through WOMEX could take a step towards pushing that.

[105] The other point—Eluned is absolutely right—is that you cannot do an international showcase if you do not have a healthy local scene. A healthy local scene though, as in Scotland or in Ireland, is something that is nurtured from education onwards, so that music is a part of education. Traditional music and knowing where you come from with music is a key part of people's makeup. That is also something that Wales has fostered in the past and needs to keep fostering for grounding in the future.

[106] **Mr Rostron:** I just want to add to that. Wales should play to its strengths. We are very good at music. We have a lot of talent in music. Therefore, WOMEX and other music events are the right things to bring to Wales, because we know that we have world-class musicians. However, the thing to do is to be able to follow that up, because if we are going to create interest, we then want to be able to take it out across the world. The important point around support is for our businesses to have those aspirations and to be supported to be able to go out there to do it. We do it with rugby—we do events in Wales and we send our rugby team abroad; we know that it can compete and that it is world class. We know that we can do that with music. However, the join-up is making sure that art and industry go alongside each other so that they can go out there and not just perform but go out there and do business and export. That is the bit that we are interested in.

[107] **Mick Antoniw:** It is that point and the point that you made, Mr Alston, that I am particularly interested in. It is about the synergy with the economic presentation within Wales across the board. That synergy—if I can give a few examples, such as the Royal Welsh College of Music and Drama and the input of the Cory Band, and the fact that we have a world-leading band year after year et cetera—and all those things that are going on do not seem to be joined up. Do you think that one of the legacies of this and the learning thing is moving towards ideas in terms of how we present Wales economically, socially, culturally and musically et cetera and start joining that up a bit more than we have done in the past?

[108] **Mr Alston:** Critically, we need to keep doing it. John is absolutely right in saying that the work that the Welsh Music Foundation and our partnership is doing can capitalise on the bridge head that we have created in WOMEX, so that we are in those fora selling Wales in the next two or three years. If we do not make those fora, for whatever reason, we will lose what we gained in WOMEX or the opportunity that we gained in WOMEX. That is critical.

[109] I just want to say that *trac*, as the traditional music development organisation in Wales, has had a key part in preparing musicians. As an arts council, we will be looking, with *trac*, to try to develop its ideas on what inroads can be made.

10:15

[110] **Nick Ramsay:** We are into the last couple of minutes. Joyce Watson, did you have any questions?

[111] **Joyce Watson:** Yes. We have talked about the world stage and the Welsh stage and Wales on those, but I also want to talk about the European stage and the Creative Europe programme. First, are you aware of it, and do you intend to take part in it and access European funding and opportunities?

[112] **Ms Haf:** Yes. As Wales Arts International, one of the partners in *Cerdd Cymru*, we host a European desk that we have been running over the past five or six years to support the arts in Wales to go for the culture programme of the European Union, which has been merged with the media programme to create the Creative Europe programme. The media desk is located in the Welsh Government and has been very supportive and successful in attracting new investment into media companies in Wales. The culture programme had a different structure; there was one desk for the whole of the UK and it was located in London in *Visiting Arts*. The new structure is coming to life at the moment. There are transitional arrangements in place where the British Council and the BFI are operating on a UK-wide programme with a Creative Europe desk within the Welsh Government. We are in discussion with them at the moment about how we can support them to deliver the best structure within Wales for the arts and the cultural side of that.

[113] **Alun Ffred Jones:** Pan ddywedwch fod desg wedi'i lleoli o fewn Llywodraeth Cymru, beth ydych chi'n ei feddwl? **Alun Ffred Jones:** When you say that a desk is located within the Welsh Government, what do you mean by that?

[114] **Ms Haf:** Mae *antennae* gwahanol gan y rhaglen *media*—mae un yn yr Alban, un yng Nghymru ac un yng Ngogledd Iwerddon. Mae'r un yng Nghymru yn cael ei gynnal fel desg o fewn uned diwydiannau creadigol y Llywodraeth. Dyna lle mae'r ddesg wedi'i lleoli'n benodol. **Ms Haf:** The media programme has different antennae—one in Scotland, one in Wales and one in Northern Ireland. The one in Wales has been maintained as a desk within the Government's creative industries unit. That is where the desk is specifically located.

[115] **Alun Ffred Jones:** Oes rhywun yn gwybod lle mae'r ddesg hon? **Alun Ffred Jones:** Does anybody know where this desk is?

[116] **Ms Haf:** Nid wyf yn gweithio yn y maes hwnnw, ond mae'n cefnogi'r diwydiant. Mae yna swydd. **Ms Haf:** I do not work in that area, but it supports the industry. There is a job.

[117] **Mr Alston:** As the arts council, we are actively involved in current negotiations with European Shared Treasure about how to get the best deal for Wales out of the new arrangement. There will be one entry point into the UK, but there will be a Welsh-based Creative Europe desk. We think that there is a partnership solution there so that we can bring cultural aspirations to that desk and the Welsh Government can continue the successful media point. Together, we can be helpful.

[118] **Nick Ramsay:** We can look at that in our new inquiry into EU funding. Thank you; it has been a very expansive session. I appreciate that there was a lot of information to get in

there. I thank our witnesses for being with us today, John Rostron, Eluned Haf and David Alston. It was interesting to hear your views on world music as well, which were more wide ranging than some of us thought they would be. I am sure that members of the committee have learned a lot today from this evidence session.

[119] **Mr Alston:** Enjoy the CD.

[120] **Nick Ramsay:** Yes. Thank you for all the information you provided at the start. We do not often get CDs given to us on the committee. We might have to declare it—a feast of music from Wales.

[121] **Ms Haf:** At least more people will know about it.

[122] **Nick Ramsay:** Thank you. I propose that we take a break for 11 minutes.

*Gohiriwyd y cyfarfod rhwng 10:18 a 10:29.
The meeting adjourned between 10:18 and 10:29.*

**Arddangosfa Fasnach Cerddoriaeth y Byd (WOMEX) 2013 (Effaith a
Gwaddol)—Sesiwn Dystiolaeth 2 (Panel: Trefnwyr Lleoliadau)
World Music Trade Expo (WOMEX) 2013 (Impact and Legacy)—Evidence
Session 2 (Panel: Venue Organisers)**

[123] **Nick Ramsay:** Welcome back to members of the committee. This is our second evidence session today. I welcome our witnesses to this morning's meeting. It was very good of you to agree to give us evidence today. Would you like to give your name and positions for our Record of Proceedings?

[124] **Ms Richards:** I am Kathryn Richards. I am the head of culture, venues and events for Cardiff Council.

[125] **Mr Sheeran:** I am Phil Sheeran, general manager of the Motorpoint Arena in Cardiff.

[126] **Ms Davies:** I am Bet Davies. I am cultural leader and head of public relations at the Wales Millennium Centre.

[127] **Nick Ramsay:** We have a large number of questions for you. Sorry, that sounded intimidating, did it not? We have a fair number of questions for you, so I propose that we go straight into those. The first is from Keith Davies.

[128] **Keith Davies:** Rwyf am ofyn fy **Keith Davies:** I will ask my questions in
nghwestiynau yn Gymraeg. Welsh.

[129] **Nick Ramsay:** Is everyone okay with the translation kits? I see that you are.

[130] **Keith Davies:** Mae'n gwestiwn **Keith Davies:** It is a simple question: were
syml: a oeddech chi'n rhan o'r grŵp a wnaeth you part of the group that made the bid for
y cais am WOMEX 2013? Os oeddech, beth WOMEX 2013? If so, what part did you
oedd eich rhan chi? play?

[131] **Ms Davies:** Fel cynrychiolydd **Ms Davies:** As a representative of the Wales
Canolfan Mileniwm Cymru, roeddwn yn rhan Millennium Centre, I was part of the team
o'r tîm a wnaeth ddwyn y cais at ei gilydd i that drew the bid together to submit to
roi i Piranha yn Berlin. Roedd gennyf rôl o Piranha in Berlin. I had a role in contributing

ran cyfrannu tuag at y strategaeth. Roeddwn wedi bod yn rhan o'r tîm a ddaeth â'r *Ryder Cup* i Gymru. Rwy'n cofio rhannu gyda'r tîm y ffaith ein bod ni wedi defnyddio strategaeth glir o ran y *Ryder Cup*: rhowch y digwyddiad i'r Alban ac ni wnaiff ddim gwahaniaeth o gwbl i golff fel gêm, ond rhowch ef i Gymru ac nid yn unig y bydd hynny'n dda i Gymru, ond bydd hefyd yn dda i golff. Roeddwn yn gweld yr un fath o gymhariaeth gyda WOMEX; pe bai'n mynd i Glasgow neu i Ddilyn, ni fyddai'n gwneud llawer o wahaniaeth i'w cerddoriaeth draddodiadol nhw. Fodd bynnag, yng Nghymru, byddai'n gwneud y byd o wahaniaeth, yn ogystal â chreu ymwybyddiaeth o'r genedl yn fyd-eang.

towards the strategy. I had been part of the team that brought the Ryder Cup to Wales. I recall sharing with the team the fact that we had used a clear strategy in terms of the Ryder Cup: give it to Scotland and it will make no difference whatsoever to the game of golf, but give it to Wales and not only will it be good for Wales, but it will be good for golf. I saw the same sort of comparison with WOMEX; if it were to go to Glasgow or to Dublin, it would not make such a difference to their traditional music scene. However, in Wales, it would make the world of difference, as well as raising awareness of Wales as a nation on a global level.

[132] **Mr Sheeran:** Back in 2010, we were part of the original bid formation, but in terms of the strategic approach to securing WOMEX, then, no, we were not originally part of that. We were more part of the operational side.

[133] **Ms Richards:** In terms of Cardiff Council, in 2010, the Welsh Music Foundation and Wales Arts International came to meet with me to talk about the aspirations of hosting WOMEX and what Cardiff could do as a capital and as a host city. I talked to them about what we could do in terms of the tourism offer, what we could do to help in terms of venues, the visitor offer, the transport plan, et cetera—all the things that we will normally support with any major event looking to come to the capital city. So, we were involved from the very beginning.

[134] **Keith Davies:** Os byddem am ddod â WOMEX yn ôl i Gaerdydd neu'n ôl i Gymru, a fydddech chi'n gwneud rhywbeth yn wahanol? A ydych chi'n credu y dylech chi fod yn ymwneud ag ef yn gynharach?

Keith Davies: If we wanted to bring WOMEX back to Cardiff or to Wales, would you do anything differently? Do you think that you should get involved at an earlier stage?

[135] **Ms Davies:** O'n safbwynt ni, roedd hi'n gyfle gwych inni weithio gyda phartneriaid ar draws y ddinas. Dyma'r tro cyntaf inni weithio yn y fath fodd ac rwy'n meddwl fod pawb wedi elwa o hynny. Pe bai WOMEX yn dod yn ôl, byddai gennym ni dempled—templd a allai gael ei ddefnyddio ar gyfer ceisio denu digwyddiadau diwylliannol mawr eraill i Gaerdydd ac i Gymru hefyd.

Ms Davies: From our perspective, it was an excellent opportunity for us to work with partners across the city. This was the first time that we had worked in that way and I think that everyone has benefitted from that experience. If WOMEX were to return, then we would have that template in place—a template that could be used for attracting major cultural events to Cardiff and to Wales as well.

[136] **Mr Sheeran:** We looked at WOMEX as an event, as we would any other event. We looked at our diary and whether we could schedule it in. The interesting thing from my point of view in particular was the legacy element. It was very interesting for me in terms of my idea of where the Motorpoint Arena and music in Wales could be positioned. The ambition, always, is to be able to develop local talent that we could eventually get to play at the arena. Perhaps world music is not something that can deliver that, but you never know; Georgia Ruth, for example, is an artist who is going places, I think. The idea that that partnership could develop and that we could perhaps use this event as a catalyst to develop other events

was something that was exciting for me. The arena being in a position to be part of that was very important. That partnership, I believe, is very strong now. I would be confident that we could bring more to Cardiff and to Wales in the future, particularly more music, as a wider-reaching element, not just focusing on world music or Welsh-language music.

[137] **Ms Richards:** As Cardiff Council, we were brought in right at the very beginning, being the host city. We kind of said, 'Yes, we can host it here'. That work was in parallel with work that we were doing with the Welsh Music Foundation on developing a live music strategy and a live music committee. So, really, we were bringing all of the services within the authority to work together to see how we could support live music and its development in the capital city. Of course, that has wider implications for the rest of Wales as well.

[138] **Rhun ap Iorwerth:** Bore da. Roedd nifer fawr o bartneriaethau'n rhan o'r gwaith o lwyfannu'r wyl ar ôl i chi ennill y cais yn y lle cyntaf. Beth oedd y sialensiau o gael cymaint o bartneriaethau'n cyd-weithio gyda'i gilydd?

Rhun ap Iorwerth: Good morning. A large number of partnerships were part of the work of hosting the event after you won the bid in the first place. What were the challenges of having so many partnerships collaborating?

[139] **Ms Davies:** Un o'r pethau pwysig, o'n safbwynt ni fel canolfan yn gweithio ar y cyd gyda Motorpoint am y tro cyntaf yn ein gyrfa, oedd bod rhyw fath o *synergy* o safbwynt y cyflwyniad. Felly, fe wnaeth ein pennaeth technegol ni arwain ar yr ochr dechnegol ar gyfer Motorpoint a ninnau. O safbwynt creu naws am le, rydym wedi bod yn gweithio gyda Llywodraeth Cymru ers rhai blynyddoedd yn datblygu'r cynnig o ran bwydydd Cymreig. Mae rhywbeth fel 80% o'r holl nwyddau sy'n cael eu defnyddio yn ein cegin ni o Gymru, ond roedd Motorpoint erioed wedi cael y fath gynnig. Roedd Piranha yn Berlin eisiau i ni greu naws am le. Pan fo pobl yn dod o dramor, maent eisiau teimlo eu bod nhw mewn gwlad wahanol. Un o'r ffyrdd o wneud hynny yma yw sicrhau, er enghraifft, ein bod yn cynnig blas ar Gymru iddynt. Wedyn, buom yn gweithio gyda Motorpoint i sicrhau ei fod yn cynnig blas ar Gymru o ran bwyd.

Ms Davies: One of the important things, from our point of view as a centre working with Motorpoint for the first time, was that there was some sort of synergy in terms of the offer. So, our technical head led on the technical side for us and Motorpoint. In terms of creating a sense of place, we have been working with the Welsh Government over a number of years in developing a Welsh food offer. Something like 80% of all of the products used in our kitchen are sourced from Wales, but Motorpoint had never had that sort of offer. Piranha in Berlin wanted us to create a sense of place. When people come from abroad, they want to feel that they are coming to a different country. One of the ways of doing that here is to ensure, for example, that we provide a taste of Wales. Therefore, we worked with Motorpoint to ensure that it also gave a taste of Wales in terms of its food offer.

[140] Fel canolfan, roeddem wedi elwa'n fawr. Mae gennym brofiad ar yr ochr dechnegol, oherwydd pan fydd cwmnïau mawr yn dod i Gaerdydd, maent yn aml iawn yn dod â rhestr o anghenion gyda hwy. Roedd hwn yn gyfle i'n tîm technegol ddisgleirio ac i ddangos ei dalent, a hefyd i fod yn llawer mwy creadigol, efallai, nag erioed o'r blaen.

As a centre, we benefitted a great deal. We have experience on the technical side, because when major companies come to Cardiff, they very often come with a lengthy list of requirements. This was an opportunity for our technical team to shine and to show its talent, and also to be far more creative, perhaps, than it has been in the past.

[141] **Rhun ap Iorwerth:** Other than in technical terms, Mr Sheeran, how do you think that the partnership worked? Did everybody pull together? What were the challenges? Do you already plan to work together again?

[142] **Mr Sheeran:** I genuinely hope so. The first challenge was that nobody knew each other, really. We all knew the different bodies that were brought together, but, as I said before, I had not worked with the WMC, the Arts Council of Wales or Wales Arts International before. I knew the Welsh Music Foundation, because there is a crossover there. However—

[143] **Rhun ap Iorwerth:** Do you think it odd, looking back now, that you had not worked with these organisations before?

[144] **Mr Sheeran:** Probably not. We do events every day of the week. So, we keep our head down and just motor on. As I said, initially, this was just another event for us.

[145] **Rhun ap Iorwerth:** Do you think differently now?

[146] **Mr Sheeran:** Yes, I totally think differently. I thought differently at the start. Once I began to understand what WOMEX was, I thought, ‘This is quite interesting; this has potential and it is a building block’. When I first came to Cardiff, I was surprised that Cardiff does not have a major arts festival, or a regular arts festival that other major cities have. So, in that regard, I thought, ‘Right. WOMEX is an opportunity for us to start the ball rolling’.

[147] So, the first challenge was that we did not know each other. The second challenge was getting to understand what WOMEX was. I was probably like the majority of people in this room when it first came under my radar because I thought, ‘What’s this?’ So, it was first about understanding what it was. The third challenge was when the partnership came together, realising that it was significantly under-resourced. We are all partners who have our own day jobs and our own day-to-day goings on, but Cerdd Cymru: Music Wales as an entity had, more or less, only one person and some other contractors involved in delivering this. So, there was a lot of time given by the partners to this—probably a disproportionate amount of time that you would normally give to an event. We had probably hundreds of meetings, but there was a real belief and a real want for this to succeed, there was a real want to deliver on the legacy element—that this was the starting point for something that could be bigger and better and greater, and an opportunity for Cardiff and Wales to grow that element of the sector.

[148] **Rhun ap Iorwerth:** What was your perspective on the partnership?

[149] **Ms Richards:** I am in the fortunate position of having worked on large projects from the European summit in 1998 and the Rugby World Cup in 1999. We used the established one city, team Wales approach to support WOMEX as well, but new partners were brought to the table. That is what I love about this—the partnership working that is a really strong sell for Wales—a demonstration of what we are able to achieve by working together. At the time we were doing this, we were also working on the Olympics and the Rugby League World Cup. It shows the capacity of what Wales and Cardiff are able to do, working together as a team.

[150] **Rhun ap Iorwerth:** Yn olaf gen i, un partner allweddol oedd Llywodraeth Cymru, fel y clywsom gan dystion eraill y bore yma. Sut fydddech chi’n asesu—yn garedig neu fel arall—y rôl a chwaraewyd gan y Llywodraeth wrth helpu i lwyfannu’r wyl?
Rhun ap Iorwerth: Finally, one key partner, as we heard from other witnesses this morning, was the Welsh Government. How would you assess—kindly or otherwise—the role that it played in helping to stage the festival?

[151] **Ms Davies:** Roedd ei rôl yn allweddol. Nid wyf yn meddwl y byddem wedi gallu llwyfannu’r fath wyl heb
Ms Davies: The role was crucial. I do not think that we could have staged such a festival without the support of the Welsh

gefnogaeth Llywodraeth Cymru; nid oes dwywaith am hynny. Mae dod â'r gorau o'r byd i Gymru a chyflwyno'r gorau o Gymru i'r byd wedi bod yn rhan o weledigaeth y ganolfan o'r cychwyn cyntaf. Mae Llywodraeth Cymru wedi cefnogi'r ganolfan o'r cychwyn cyntaf, ac roedd hwn yn gyfle i wireddu'r freuddwyd o ddod â'r gorau o'r byd i Gymru, ac i ddangos bod Cymru, Caerdydd a'r ganolfan yn gallu gwneud y pethau hyn, yn sgîl y buddsoddiad sydd wedi bod yn y ganolfan i roi adeilad o safon fyd-eang. Fe ddaeth pennaeth yr European Broadcasting Union i lawr, oherwydd fe ddarlledwyd yr wyl ar draws Ewrop, ac fe ddywedwyd wrthyf,

Government; there is no doubt about that. It has been a part of the centre's vision from the very outset to bring the best that the world has to offer to Wales and to present the best of Wales to the world. The Welsh Government has supported the centre from the very outset, and this was an opportunity to achieve the aspiration of bringing the best that the world has to offer to Wales, and to show that Wales, Cardiff and the centre can stage these events and that the investment in the centre has provided a building that is of a globally acknowledged standard. The head of the European Broadcasting Union had come down because the festival was being broadcast across Europe, and I was told that

[152] 'This is the best venue that WOMEX has ever had'.

[153] Mae hynny mewn bron 20 mlynedd o hanes WOMEX. That refers to the history of WOMEX over some 20 years.

[154] **Rhun ap Iorwerth:** Were you aware of the support role that the Welsh Government was playing—apart from signing the cheques?

[155] **Mr Sheeran:** We were all part of the business plan. I chaired the finance committee, and I chaired the project; we were across all the elements of it. We could have delivered a WOMEX within the budget that we had originally created, but we approached the Government for extra support to give the kind of WOMEX that we wanted to give. Thankfully, the Government saw the vision and gave us that support, and that allowed us to deliver the excellent event that we all saw. The Government was a key partner in that.

[156] **Rhun ap Iorwerth:** You usually work in a very commercial sector. Could WOMEX happen commercially without that support?

[157] **Mr Sheeran:** The business plan was originally set up to deliver without Government support—when we put it together, there was no extra funding other than the funding that came from the Arts Council of Wales. (1) When we started to look at the extras that we could add in order to give it that wow factor—the costs associated with the opening concert and with trying to ensure that the delivery, the transport, the visa element were all excellent—we realised that we needed more help with all those things that made it a great event. We approached the Government and it was very supportive.

[158] **Nick Ramsay:** The next question is from Alun Ffred Jones.

[159] **Alun Ffred Jones:** Diolch yn fawr. O safbwynt y Motorpoint Arena a Chanolfan Mileniwm Cymru, a oedd y canlyniadau busnes ac economaidd yn well na'r disgwyl, neu ddim crystal? **Alun Ffred Jones:** Thank you very much. From the point of view of the Motorpoint Arena and Wales Millennium Centre, were the business and economic outcomes better than you had expected, or not as good?

[160] **Ms Davies:** Roedd y canlyniadau'n well nag oeddem yn disgwyl. Roedd rhai yn fy nhîm i'n pryderu a fyddem yn cael y **Ms Davies:** They were better than we had anticipated. Some of my team were concerned as to whether we would attract the

niferoedd a oedd wedi bod yn Copenhagen ac yn Thessalonika. Roeddem wedi ein plesio'n fawr fod 2% yn fwy o ran y *delegates*, ond hefyd oherwydd inni gael cyfle i agor WOMEX i'r boblogaeth yng Nghymru a rhoi blas i bobl yn y brifddinas o gerddoriaeth fyd, yn ogystal â phobl o rannau eraill o Gymru a thu hwnt. Dyma'r tro cyntaf i gyngerdd agoriadol WOMEX fod ar agor i'r cyhoedd a'r tro cyntaf y gwnaed cymaint o ymdrech i geisio dwyn cynulleidfa ehangach i'r *showcases*. Roeddem wedi cael ein plesio'n fawr efo gwerthiant tocynnau ar gyfer yr holl nosweithiau hynny, achos ein rôl ni oedd gwerthu'r tocynnau.

10:45

[161] **Mr Sheeran:** From a Motorpoint Arena point of view, it was the first time in a while that we had done a major exhibition conference. We were delighted with how that looked, how it felt and the flow in the building. We did not generate much revenue. It is a constant struggle; no, not a struggle but a battle because you are in the middle of a very vibrant city centre, so you are competing quite a lot. However, just purely from a Motorpoint Arena point of view, it worked excellently. We were always confident that we could deliver, but we were very happy with how everything ended up.

[162] **Alun Ffred Jones:** Beth ydych yn ei feddwl fydd effaith fwyaf tebygol WOMEX 2013 o ran ei waddol i'r lleoliadau? A ydych chi'n meddwl bod canlyniadau neu eich bod wedi dysgu rhywbeth?

numbers that had attended in Copenhagen and Thessalonika. We were extremely pleased that there was an increase of 2% in the number of delegates attending, but also that we had had an opportunity to open WOMEX to the wider population in Wales and to give people in the capital city a taste of world music, as well as people from other parts of Wales and beyond. This was the first time that the WOMEX opening gala concert had been opened to the public and the first time that so much effort had been made to try to draw in a wider audience to the showcases. We were extremely pleased with ticket sales for all of those events, because our role was to sell the tickets.

Alun Ffred Jones: What do you think will be the most likely impact of WOMEX 2013, in terms of its legacy for the venues? Do you think there are outcomes or lessons that have been learnt?

[163] **Ms Davies:** O'n rhan ni, rwy'n meddwl ein bod wedi dysgu llawer o bethau. Rydym ar drothwy cyfnod cyffrous yn ein hanes. Rydym newydd benodi cyfarwyddwr artistig newydd, Graeme Farrow, sy'n dod o ddinas Derry, a enillodd cystadleuaeth dinas ddiwylliannol y Deyrnas Unedig. Mae ef yn dod yn barod â syniadau eithaf cyffrous am sut y gallwn adeiladu ar lwyddiant WOMEX o safbwynt gweithio ar y cyd wrth geisio datblygu, efallai, gŵyl yn seiliedig ar gerddoriaeth. Rwy'n meddwl bod lot o bethau y gallwn ddatblygu o hynny.

Ms Davies: Yes, I think that we have learnt a great deal of things. We are on the verge of an exciting period in our history. We have just appointed a new artistic director, Graeme Farrow, who comes from the city of Derry, which won the UK capital of culture. He is already bringing in some exciting ideas on how we can build on the success of WOMEX in terms of working jointly in developing, perhaps, a festival based on music. I think that there are a lot of things that we could develop on the back of that.

[164] Un peth arall, efallai, nad oes neb wedi sôn amdano hyd yn hyn yw sgiliau. Rydym wedi bod yn gweithio gyda Creative and Cultural Skills i geisio datblygu rhagor o sgiliau ar yr ochr dechnegol. Drwy WOMEX, cawsom gyfle i roi cyfleoedd i bobl ifanc. Roedd 148 o wirfoddolwyr wedi gweithio yn ystod yr wythnos ar WOMEX. Roedd llawer ohonynt yn bobl ifanc, rhai newydd raddio,

One other thing that, perhaps, has not been mentioned so far is skills. We have been working with Creative and Cultural Skills to try to develop more skills on the technical side. Through WOMEX, we had an opportunity to give opportunities to young people. There were 148 volunteers who worked during WOMEX week. Many of them were young people, some were young

rhai yn dal yn y coleg, rhai o'r gymuned leol yn Butetown ac o Drelái. Cawsom griw o'r bobl ifanc hyn yn gweithio efo'n tîm technegol proffesiynol, i gael profiad uniongyrchol o weithio ar wyl ryngwladol fel WOMEX, lle roedd y safonau a'r gofynion technegol yn uchel iawn. Mae'r ffaith iddynt gael cyfle i weithio ar hynny a'i roi ar eu CV wrth fynd ymlaen i geisio am swyddi yn elfen o waddol efallai na fyddai neb wedi ei disgwyl.

graduates, some were still in college, and some were from the local community in Butetown and Ely. We had a group of these young people working with our professional technical team, to get direct experience of working on an international festival such as WOMEX, where the standards and technical requirements were very high. The fact that they had an opportunity to work on the festival and to put that on their CV as they apply for jobs was an element of the legacy that nobody perhaps would have expected.

[165] **Alun Ffred Jones:** You have touched on this already, Phil, but do you hope that something else will come out of your experiences?

[166] **Mr Sheeran:** I would say, from a selfish point of view, that I would love us to be filling the arena regularly with Welsh artists and not have to worry where we are going to get our next acts from.

[167] **Nick Ramsay:** Easier said than done.

[168] **Mr Sheeran:** Yes. That is the ambition. As I said, when we sat down in 2010 and talked about this, that was the long-term vision and idea. Legacy is so wide-ranging. There is a feel-good factor from this—there is interest; we are here today; there is support; and I think that we have changed a lot of minds, perhaps. There is the partnership and there are the building blocks. There are the assets that come with the Cerdd Cymru: Music Wales. There is the legal element, as was mentioned before. There are the rights to the opening concert. There are a number of things already in place that really put us in a very strong position should we wish to continue to do these kinds of events, and I really believe that we should. To make Cardiff and Wales a truly internationally renowned cultural destination or proposition, then we need to continue to do these events. We need support and the industry needs that support. That will mean investment. There are no two ways about it—we need to find money from somewhere. If the Government can continue to do that, then that is brilliant.

[169] **Ms Davies:** Un peth arall yr ydym yn bwriadu ei wneud o ganlyniad i WOMEX yw rhoi llwyfan i'r dalent newydd hon. Mae cynllun newydd wedi deillio o WOMEX, sef y rhaglen Gorwelion: Horizons, a weithredir ar y cyd gyda'r BBC. Ein bwriad ni, drwy lwyfan y Lanfa, yw rhoi cyfleoedd i'r cerddorion ifanc hyn gael llwyfan ac i ddechrau denu dilyniant.

Ms Davies: Another thing that we intend to do as a result of WOMEX is to provide a platform for this new talent. A new scheme has emerged from WOMEX, the Gorwelion: Horizons programme, jointly run with the BBC. Our intention, through the Glanfa stage, is to give opportunities to these young musicians to have a platform that will generate interest in them.

[170] **Eluned Parrott:** To follow on from that, Bet, is that not what you were doing with the Glanfa stage before?

[171] **Ms Davies:** Yes. From the start, the Glanfa stage has been about showcasing emerging talent. We showcase community music, and we showcase young professionals at the start of their careers. We have an opportunity to provide focus for the Horizons brand and to these musicians who are going through a development programme. So, this is another spoke in the wheel.

[172] **Eluned Parrott:** Okay, thank you. I also wish to ask you about the audiences that

came to the event. You have spoken a little, Phil, about bringing new acts and artists into the system. However, I want to ask about new audiences as well, aside from the delegates, who are a specific audience and are not necessarily in the local area. I take it that you are in charge of your own box offices and that you have your own audience data. Is that right?

[173] **Ms Davies:** Yes.

[174] **Eluned Parrott:** In which case, were you able to attract new and different audiences, or were there crossovers between the audiences that came to these events and the audiences that you have had for other kinds of events?

[175] **Ms Davies:** We have done quite a detailed analysis of the database for the non-delegates. About 33% of the audiences, in total, were already on our database. We also had a lot of first-time bookers on our database, which is quite a useful database for us, going forward, in terms of the promotion of Welsh music at the centre. We have often thought of trying to develop something along the lines of the opening concert, showcasing the best of Wales. We already have quite a good database now that we can build on. We have already been in discussion with Cerdd Cymru about how we survey and dig deeper, in terms of that database, which is very valuable.

[176] **Eluned Parrott:** That is very interesting. In terms of how the events were marketed—the public-facing events specifically, such as the concerts and showcases—were they primarily marketed through your own databases and your own box office records, or were they marketed through other databases for different audiences that you had not previously accessed?

[177] **Ms Davies:** They were marketed through a whole raft of outlets. Obviously, one of the challenges was that the whole of the Donald Gordon Theatre was not available to us, so we were estimating how many delegates would come for the first night. Through careful working with Cardiff Council's tourism staff and the Cardiff Hoteliers Association, we were able to slowly release more tickets. We used trade publications—magazines like *Songlines* and *fRoots* as well as our own usual marketing methods, such as poster sites and very targeted lists. We had access to St David's Hall because it obviously has a world music database as well.

[178] **Nick Ramsay:** Phil Sheeran, do you want to come in on this?

[179] **Mr Sheeran:** Yes, I would like to point out that this is the first time that WOMEX opened up public ticket sales to the opening concert. The trade event at the arena is a closed shop; you have to be a delegate to enter it. We encourage that. We wanted to drive the commercial element of it to try to generate revenue, so that we could prove that this was not just a funded event, and that this was an event that had potential. So, we knew that it was an event that was good enough to generate interest and by using all these things that Bet talks about, that was clear. We trebled the amount of tickets that we thought that we could sell. So, it is clear that there is interest in the city, in the region and in the country for any kind of event, I think.

[180] **Eluned Parrott:** I think that my interest in the nature of the audience and the analysis that you have done on that is on that exact question: is there a latent local market for this kind of event, or would it require a festival base to bring audiences in from other parts of Wales and the UK, and even internationally? That is the question, essentially.

[181] **Mr Sheeran:** It is all about the product, is it not? If the product is good enough, if it is attractive and if it is what people want, then they will come to see it.

[182] **Ms Davies:** If you look at our audiences, generally, month on month, you will see that about 12% to 14% of our audience comes from outside Wales when you have things like the big musicals. When you have a unique product, so, for example, I am tracking Welsh National Opera with David Pountney at the head, the audiences from outside Wales are now increasing, because it is a unique, exciting and innovative product. So, 25% of WNO's audience is coming from outside Wales. When we had the Ring cycle at the centre, 58% of the audience came from outside Wales. So, it shows the potential of developing niche, unique products.

[183] **Eluned Parrott:** Do you think, from the experience of things like WOMEX and doing the Ring cycle, which is a unique product to be offering and something that would draw audiences, that an approach that we ought to be taking with WMC and the venues that we have in Cardiff is a more festival-based approach that will showcase things at a particular time and group people together, or would you prefer to be trying to attract audiences by developing the local market, essentially?

[184] **Ms Davies:** From our perspective as a venue, our vision would be to see Cardiff working together to develop a world-class cultural festival based on music. I have already had those conversations with Graeme Farrow. He does not start until 1 April, but he is already thinking about working with other venues and using music as our unique selling point.

[185] **Mr Sheeran:** I think that there is proof in other cities that those kinds of things work. Galway has a great continuous festival catalogue. You go from the arts festival to Galway Races to the Oyster Festival, and there is a real connection across the city. The economic benefit is huge. Manchester has developed the Manchester International Festival. There are things there that encompass not just music, but culture as a whole, including drama, arts, fashion and comedy—all those things that Cardiff does in bits and pieces, but a joined-up approach could create something amazing.

[186] **Eluned Parrott:** Finally, from me to Kathryn: do you think that there is an opportunity here, based on the experience of WOMEX, to refocus the Cardiff Festival and look at ways in which we can change the approach, or are you content that this is something that ought to be different and additional?

[187] **Ms Richards:** I agree with both Bet and Phil. What Cardiff has done, and I make no apologies for this, is focus on sport. That was the original economic driver; it was about major sporting events and investment in sporting infrastructure, and it has paid dividends. Now, we really need to start—I cannot speak for my political masters, clearly—looking at what we can do in terms of the cultural sector, because it is a huge prize, and also business-to-business tourism, use of convention centres and that sort of thing. Certainly, with the Cardiff Festival, we have been losing funding and sponsorship has been dropping off, just because of the economic climate, and it is time to renew it all. I think that WOMEX has been pivotal in drawing the agencies together and galvanising us all to be able to move that forward.

[188] **Mr Sheeran:** Culture has such an important part to play. Making people feel happy and good has other societal benefits for health, crime and education, and all those kinds of things. I think that David touched on education earlier. It is very important to educate people correctly and make them understand the benefits of music, art and all those kinds of things. The benefits of having an outlet for that, something that people can regularly attend and participate in, are tangible, really.

11:00

[189] **Nick Ramsay:** Great. Julie James has a supplementary question.

[190] **Julie James:** I just wanted to ask you a couple of things. I went to quite a few of the WOMEX events; I absolutely loved them. I would like to ask about two things. On your database, it will show up as a lot of Welsh people having attended, because I bought all of the tickets, but I had quite a lot of people who were not from Wales with me. So, there is an issue about people buying more tickets than they are using themselves.

[191] Secondly, I would like to make a general point about through-ticketing. It is much easier, if you are trying to organise a long weekend for somebody who is visiting Cardiff, if you can buy a ticket for all of the theatres—a bit like the Hay Festival, where you go to one box office, or whatever. That can encompass quite a lot of things, can it not, such as sport, drama, and all of the things that you just mentioned? I know that you do it for particular festivals, but in general it would be helpful to be able to purchase a culture ticket for Cardiff for the weekend, where you can go to three venues, or whatever.

[192] **Ms Davies:** That is something that we have been looking at. We are hoping to apply for some funding for some research and development to look at the technology, because St David's Hall uses a different box office system to us. We have been developing what we call the Tessitura consortium. We use a box office and ticketing system called Tessitura, which we bought as a licence from the Metropolitan Opera in New York. It was designed discretely for venues and for the arts. We now have several arts venues across Wales that are part of that, and organisations such as National Theatre Wales are joining in with us. So, there may be opportunities, if we increase membership of that Tessitura consortium, to make it easy. However, it is definitely something that we are looking to explore.

[193] **Julie James:** I am really glad to hear that. There are quite a few culture cities in the world—and Dublin is one of them—where, if you try to book a hotel, you get a thing saying, 'Did you know you can get this cheaper plus six tickets, if you buy it like this?' That encourages you to go for longer and to go to more things than you would otherwise have done.

[194] **Mr Sheeran:** Technology is developing all the time. Festivals use technology where you just purchase a wristband with £100 or €100 of credit and then you can wander around and use it at the bar or to buy a burger, or whatever. So, you could probably apply the same principle from a city-wide point of view. Bet is right to say that it would be difficult to marry all of the venues, because the Motorpoint and the WMC work completely separately. So, there would be difficulties with regard to trying to break down revenues and so on. However, if you had something simple like a wristband, then, yes, it would absolutely be possible.

[195] **Julie James:** So, it is just about encouraging people to see a list of things that are available over the weekend that they are visiting, is it not?

[196] **Nick Ramsay:** I think that the point is well made, Julie, and we will move on now to Joyce Watson.

[197] **Joyce Watson:** Good morning. I want to look at the future of all of this. The first thing I want to know about the future is whether any of you are planning any major large-scale events at the moment—any that are coming to Cardiff, that is. If you are, are you likely to need any support? If you are, what support might that be?

[198] **Ms Davies:** We are already well into the planning of a year-long celebration of the Wales Millennium Centre's tenth anniversary. This is very much about saying 'thank you' to our audiences, about developing new audiences, but also developing some discrete activity that will make people travel. If you are putting on an event that it is worth people travelling to, then the economic impact is even greater. So, yes, we are investing a considerable amount of money. We will be starting in October this year and it will run until the autumn of next

year, coinciding with the Rugby World Cup in Cardiff, because eight events will be hosted in the Millennium Stadium. So, we are already talking to the major events unit, to Cardiff Council and the WRU about how our big event, which will be the finale of our tenth anniversary, will marry with the Rugby World Cup events in Cardiff. That closing event has a big price tag on it. That will be a free and public event of large scale. While I cannot divulge the details yet, it will be something very significant.

[199] **Nick Ramsay:** Go on, give us an exclusive. We like those.

[200] **Ms Davies:** It will also involve the whole of Wales, and the heritage and history of the whole of Wales.

[201] **Mr Sheeran:** I would like to think that every event we do is a major event at the arena. However, it is clear that we miss out on some of the bigger acts that tour. That is a shame, but our capacity does not allow us to attract those types of acts. Do we need any support? There is probably an argument to say that maybe Cardiff needs a bigger arena. How we go about getting that is a question for another day.

[202] **Ms Richards:** Bet has already mentioned the Rugby World Cup; we also have the Cardiff half marathon. Again, those are more sporting events than they are cultural events, but around them we try to put some cultural activity that supports the visitor experience and promotes Wales. I meet regularly with the major events unit because Cardiff cannot do it alone. It has to do it with the major events unit because basically it has the majority of the funding. So, any major event needs the support of the Welsh Government. We are consistently in dialogue with each other about what we can do together. Clearly, Cardiff has the assets in terms of the hotel infrastructure, the stadia, the Roald Dahl Plass and the WMC et cetera, so there is an ongoing dialogue there and a partnership, which is really effective.

[203] **Mr Sheeran:** I have one other point. I know that I made a tongue-in-cheek mention of a bigger arena, but infrastructure is very important for the development of the industry as a whole. Cardiff has lost a number of venues over the years. When we talk about a joined-up approach, having bands that play in a local pub right up to 1,200, 3,000, 5,000, 7,000, 30,000 and 80,000 plus venues are very important in growing the industry and giving bands the opportunity to develop locally. Having local support and cutting your teeth in an environment where you feel welcome and feel that love, before you go out on the world stage and associate yourself with big festivals, is critical. We are missing a trick here in that regard. Big bands are not coming out of Cardiff or Wales at the moment. That needs to be rectified.

[204] **Joyce Watson:** To that end, which fits nicely with my last question, do you think that Wales is sufficiently ambitious in its approach to secure major events, whatever those events are, whether they are cultural or sporting?

[205] **Ms Richards:** I think that we are ambitious, although we are probably not playing on a level playing field with the likes of Glasgow and Edinburgh. They appear to have a larger budget. Event Scotland seems to put a lot more, in terms of budgets, into funding major events. We also have a bit of a battle with the overseas nations, the Arab nations, who have a lot of money to throw at major events. It can be a bidding war. That is why we need to think about growing our own a little bit more and what we are able to do locally to build our own major events. There is a challenge there with major events, but I do not think that I, or any of our partners around the table, lack ambition for the city or Wales in terms of attracting things here.

[206] **Mr Sheeran:** I agree with that wholeheartedly. My key events come and go. Their legacy element is difficult to quantify. If you build something here, then perhaps it would make it easier to attract others. They might come to us rather than us having to go looking for

them. There is great ambition. Ireland, Scotland and other nations have probably got 20 or 30 years on us in terms of their infrastructures, and perhaps their partnerships. We have just started it; so, as far as I am concerned, I think that there is great scope.

[207] **Ms Davies:** We see our next 10 years as an opportunity to raise the bar and to be even more ambitious in bringing the best of the world to Wales and to the centre, but also taking the best of Wales to the world. We are ambitious to promote Welsh talent. In April, we are taking Only Kids Aloud to South Africa to participate in the twentieth anniversary of democracy in South Africa. They have already been invited to participate in the international chorus festival in Beijing, at China's national centre for the performing arts. Big costs come with these things, but we have to be ambitious and confident. We can do it. Commercial sponsorship is a bigger challenge for us in Wales than if we were in the City of London, but we are punching well above our weight as a country. In terms of the Wales Millennium Centre's business model, we have to raise up to £1 million every year of commercial support to make the business model work. We do so, even in the economically challenging times. We have still been punching well above our weight. So, we are ambitious.

[208] **Nick Ramsay:** I appreciate that you are saying that we are ambitious now, and that there are lots of good plans for the next 10 years, but why do you think that we have not been that ambitious hitherto, relative not so much to England but relative to Scotland, for instance? Are there any key issues in that? Is it a matter of capacity or is it just not having the number of people locally to support?

[209] **Ms Davies:** If you look at the issue prior to the Wales Millennium Centre opening, you will see that there was a lot of negativity around developing a national centre for the performing arts. There was also a lot of negativity around developing the Millennium Stadium in the city centre. We have proved that Wales can succeed, and I think that it is a matter of having that self-confidence.

[210] **Nick Ramsay:** Ignore the negativity.

[211] **Ms Davies:** Yes; ignore the negatives and just be positive going forward.

[212] **Nick Ramsay:** Joyce, are you done with your questions? Yes. Mick Antoniw is next.

[213] **Mick Antoniw:** You have answered, again, a lot of the things that I was interested in, but there was just one thing. In terms of the role of the Welsh Government, with the exception of putting in loads more money et cetera, the Welsh Government's interest is in how the whole arts and cultural side promotes Wales, bringing economic benefits and developing them. Of course, that is a common theme in most things. What do you think should be the strategy of the Welsh Government now? Learning all of the lessons from this, and the response of the Welsh Government in positively playing its role, and moving things forward, if you were writing out the two or three key things that you wanted, what would they be?

[214] **Ms Davies:** I think that you have to invest in the creative industries. The CBI published a report last week highlighting the importance of the creative industries to the UK economy, and, certainly, the creative and cultural industries play a vital role in Wales. Sometimes, people do not quite appreciate the value. If you just take us as a venue, we have had independent evaluation by Cardiff Business School that we are contributing up to £50 million a year into the Welsh economy. That is just one venue. I think that it is a matter of having the confidence to invest in facilities and, as Phil said, to invest in infrastructure, as well as actually supporting the development of emerging talent.

11:15

[215] **Mr Sheeran:** I would agree with that. Bricks-and-mortar investment is probably necessary, but I am not so sure that Welsh Government would need to continue to throw money at or invest money in the arts. If you take CCMW as a model, there are enough people sitting around that table with enough savvy and enough ambition to want to make that a self-sustaining and self-sufficient entity within a number of years. You could set some key benchmarks or points where funding reduces, to a point where it disappears and those events that are allowed to be created become successful enough that they support themselves. That should be the ambition, really, rather than always having to go with your hand held out. When we started the WOMEX project, we wanted money in the pot so that we could do the next thing. Unfortunately, that did not happen, but that is not to say that we did not try. That was our ambition. We wanted that to happen, and I think that that should always be the ambition with anything that is funded, other than, as I said, bricks and mortar, because it would be very difficult to get a return on investment in major infrastructural developments.

[216] **Ms Richards:** For me, it is about investment and prioritising the cultural sector. It tends to be the soft underbelly, and you get that when you are competing with health, adult services and social services. You can get the argument, but it is always where the cuts are made, because it seems to be the softer and easier place to do it. However, there are real economic benefits and, as Phil said, there are social benefits as well—the health benefits of people enjoying culture. There are far wider benefits of the cultural life of the city than just the plain economic benefits. Maybe it is just a case of needing a little more focus and a bit more reality about what that offers.

[217] **Mick Antoniw:** Do you think that, to some extent, it boils down to the fact that, perhaps in the past, we have not really marketed Wales and all its entities, from economic to social? Wales now, through BBC productions and so on, is all over the world in a way that it was not before. Economically, there are links that are growing and developing. Does it boil down to having a strategic presentation of Wales, and are we doing it well?

[218] **Mr Sheeran:** I think that, with respect, you are only starting. You are a very young nation. You have to take your time and do it properly. Ireland has almost 100 years of marketing itself as the land of rainbows and pots of gold, and all that malarkey, but it works; it has done what it set out to do. There are lessons that can be garnered from all those new nations. You are very young and there is great opportunity—

[219] **Alun Ffred Jones:** We have been here a long time.

[220] **Mr Sheeran:** Yes, I know—I am aware of that. [*Laughter.*] There is fantastic ambition, there is fantastic resource and there is great talent.

[221] **Ms Davies:** As someone who worked in economic development and inward investment previously, I think that the cultural offering of the nation is actually an important component in attracting companies. It is about the quality of life. If a company wants to invest, it wants to know that its key personnel will have a cultural life by relocating to Wales from wherever. Culture and business investment should go hand in hand. I think that we will see more of that in future.

[222] **Nick Ramsay:** Are there any further questions for our witnesses? No. Great. I thank Kathryn Richards, Phil Sheeran and Bet Davies for being with us today. It has been very helpful. A transcript of today's proceedings will be available. Thanks for helping us with our—what was your expression?—land of rainbows and pots of gold. It is a good one to go into the transcript. It has been really helpful to our inquiry. Thanks for being with us.

[223] Our next session starts at 11:40. We will have an audio link; it was going to be a video link, but it is now an audio link due to technical problems at the other end. I propose

that we break for 20 minutes.

*Gohiriwyd y cyfarfod rhwng 11:20 ac 11:41.
The meeting adjourned between 11:20 and 11:41.*

**Arddangosfa Fasnach Cerddoriaeth y Byd (WOMEX) 2013 (Effaith a
Gwaddol)—Sesiwn Dystiolaeth 3
World Music Trade Expo (WOMEX) 2013 (Impact and Legacy)—Evidence
Session 3**

[224] **Nick Ramsay:** I welcome Members back to this morning's meeting of the Enterprise and Business Committee. We will continue our look at WOMEX 2013, its impact and legacy. We have our third evidence session. I welcome our witness on audio link—rather than video link—from Piranha WOMEX. Would you like to give your name and title for our Record of Proceedings?

[225] **Ms Pöttsch:** My name is Anna Pöttsch. I am the director of media and communication at Piranha WOMEX. I would like to say 'bore da'.

[226] **Nick Ramsay:** Bore da to you as well, Anna Pöttsch. Thank you for agreeing to be with us today. We have a number of questions for you; the first is from me, about the background to where we are at the moment. What would you say are the overarching objectives of hosting the annual expo for world music?

[227] **Ms Pöttsch:** Do you mean from the perspective of a host city? There are a number of aims of a very different nature. One aim could be to look at economic impact in terms of figures, such as the expenditure of delegates coming to a city, staying there and spending money on food and entertainment. It would also include the expenditure on the local production of a huge event. There is also, of course, tax income derived from registration and stand sales. These are economic perspectives. I think that key to host cities nowadays is the impact in terms of developing a local music industry and placing a region or a nation on the cultural map of the world. So, it also has much to do with cultural diplomacy—using music as a means of introducing a nation or connecting people.

[228] **Nick Ramsay:** Anna, this is the first of our evidence sessions on this and a number of the members of the committee were not previously aware of the work of WOMEX. Would you briefly explain how WOMEX fits in to this and how you work as an organisation?

11:45

[229] **Ms Pöttsch:** Let me go back. We started a long time ago, in the 1990s, when we realised that there was a need for music professionals and artists working in different countries, but very much interested in a cultural exchange, to have an annual meeting point, to meet each other in person. That is when we started to develop the WOMEX, world music expo, platform. The first one was in 1994. It started really small, because the term 'world music' was coined only at the end of the 1980s. That was really the beginning of it all. We then travelled through different European countries to explore different nations, different regions, different musical traditions and different states of the music industry. By travelling through Europe and discovering so many new places for many of us, this event has grown significantly. Right now, we have reached over 2,000 delegates a year, plus artists, local visitors and the media. It has, indeed, become a yearly routine for many music professionals around the world to come to this meeting to explore business opportunities, to network, and to understand what others are currently doing and what other problems, challenges or opportunities there are. From that, they will develop business. Sometimes that will happen

right away, but sometimes ideas might develop for some time and come out later. We see that we have a stable tribe of people coming back to WOMEX. For example, members of the Cerdd Cymru: Music Wales team have been with WOMEX for many years now, exploring the event and the possibilities it offers. The event features a huge showcase festival, where bands, artists and so on, at a usual concert, only play for 45 minutes. It is a sort of pitch, where they present themselves in order to be booked afterwards. It is a situation where they know that there is a need to deliver the very best performance, because it is the very moment where hundreds of bookers will be standing right in front of them, considering whether to book them for next summer. So, the showcase festival is one important part. We also have the trade fair, with many stands, big and small, and we have the conference part, with different formats and different perspectives on the music industry and cultural events. We also have the awards on the Sunday, and we should not forget the big opening, which is always on the Wednesday evening. This year, it was a particularly impressive opening entitled 'Land of Song', which delivered a proud and loving introduction to the music of this nation. So, it is quite complex.

[230] **Nick Ramsay:** The next question is about the Welsh bid. It comes from Keith Davies.

[231] **Keith Davies:** Gadeirydd, a ydw i'n gallu gofyn fy nghwestiwn yn Gymraeg? **Keith Davies:** Chair, may I ask the question in Welsh?

[232] **Nick Ramsay:** Yes.

[233] **Keith Davies:** Bore da. **Keith Davies:** Good morning.

[234] **Ms Pötzsch:** Sorry?

[235] **Keith Davies:** Bore da. A ydych yn fy nghlywed? **Keith Davies:** Good morning. Can you hear me?

[236] **Nick Ramsay:** Are you getting the translation?

[237] **Ms Pötzsch:** Yes, I can hear you.

[238] **Keith Davies:** Dyma'r hyn rwyf eisiau gofyn: cawsoch sawl cais i gynnal WOMEX 2013; pam wnaethoch chi ddewis Caerdydd? Beth oedd y rhesymau pam fod Caerdydd o flaen y lleill? **Keith Davies:** This is what I want to ask: you had many bids to hold WOMEX 2013; why did you decide to choose Cardiff? What were the reasons why Cardiff was ahead of the other bids?

[239] **Ms Pötzsch:** It is true we had proposals from nine cities for the 2013 edition, so there was quite a lot of interest from other European cities. After a pre-selection round, there was a shortlist that included Dublin in Ireland, Glasgow and Cardiff. It is a very complex process to select a WOMEX host city. It was a very competitive bid process. You need to consider a huge range of things. It starts from looking at who the partners are, whether they are the key cultural partners of a specific region, and their experience in relation to the different aspects of WOMEX—so, it is not only music production, but also to deliver a trade fair or to organise a conference. It is possible that we would look at the motivation of the partners and at why they want to invite WOMEX. Venues are a very important aspect, because of our multi-faceted event. We have so many different needs, but they should all be very close to each other—if possible, even under one roof. So, it is quite a challenge to find the setting in cities.

[240] It is also really important to look at how a city can be reached from outside the country—international accessibility. It is also sometimes a matter of the number of hotel beds.

You would not imagine it, but some cities who applied did not have the right number of beds. Across all of these parameters, Cardiff was simply the best and showed excellence in relation to all of these points. It is also very important that we had a relationship already. Music Wales has been present at WOMEX for a long time now, so the partnership has been developing. It understood how to take advantage of WOMEX, and we could see how it worked and how professional it was in setting up its promotional structure, step by step. Taking all of this together, it ticked a lot of boxes and we said, 'Wow, Cardiff really has a very promising set-up in relation to many different points'.

[241] **Keith Davies:** Diolch yn fawr.

Keith Davies: Thank you.

[242] **Nick Ramsay:** Diolch, Keith; that rolls neatly into the next question from Rhun ap Iorwerth.

[243] **Rhun ap Iorwerth:** Y cwestiwn nesaf, yn syml iawn, yw: sut y bu i Gaerdydd ddelifro o'i gymharu â lleoedd eraill sydd wedi cynnal WOMEX yn y gorffennol? Beth yw eich asesiad chi o WOMEX 2013?

Rhun ap Iorwerth: The next question, very simply, is: how did Cardiff deliver in comparison with other places that have hosted WOMEX in the past? What is your assessment of WOMEX 2013?

[244] **Ms Pötzsch:** Wales delivered an excellent WOMEX. We are very happy with the production and the outcome of last year's event. Our delegates were really happy, according to the feedback given either in our questionnaire or in conversations. We had a slight increase in the number of delegates, which is, to be honest, not so obvious when moving WOMEX from a southern destination to a northern place. The year before, it was held in Thessaloniki. It is a professional meeting and a business meeting, but there is always this tiny consideration of, 'The sun will shine' or 'Maybe there will be cheaper food'. So, going to northern Europe and going to the UK, for many people, means 'Oh, there will be less sunshine.' So, to have an increase in numbers when we were going north is really impressive.

[245] What I would like to point out, specifically, is that we had a very good experience with the partner organisations. It was quite unusual to have such a range of partners from the arts community, but also political bodies, who were going together, forming one voice and supporting the event. That is not standard and that is something that we really appreciated. At every single moment, we felt the support and we felt that the project and its opportunities were really understood by a lot of key organisations through different communities, namely the arts and the political communities. So, that was a major point. For example, the political side was highly involved and that could also be seen and felt during the event, when we had a lot of Ministers from Wales but also, for example, from Galicia, who were, of course, invited by Ministers from Wales, so there was also this European dimension that was brought in by this political will to support the event. That was a very important point. We thought that it also worked really well to have somewhere like the Motorpoint Arena in the centre of it all as the daytime venue, working together with all the other organisations.

[246] **Rhun ap Iorwerth:** Beth am y ffaith bod mwy o WOMEX 2013 wedi cael ei agor i'r cyhoedd, ac nid dim ond y diwydiant, o'i gymharu â gŵyliau yn y gorffennol?

Rhun ap Iorwerth: What about the fact that more of WOMEX 2013 had been opened out to the public, rather than being restricted to the industry, as compared with previous festivals?

[247] **Ms Pötzsch:** Sorry, could you repeat the question?

[248] **Rhun ap Iorwerth:** Roedd mwy o gyfle i'r cyhoedd gymryd rhan yn yr ŵyl y tro hwn, drwy fynd i gyngherddau mawr

Rhun ap Iorwerth: There was a greater opportunity for the public to participate in WOMEX on this occasion, by going to

gyda'r nos ac ati. Sut wnaeth hynny weithio concerts in the evening and so on. How did
o'i gymharu â gŵyliau eraill yn y gorffennol? that work as compared with previous
festivals?

[249] **Ms Pöttsch:** The WOMEX festival is usually open to the general public on the Thursday, Friday and Saturday night, no matter where we are. The opening concert is not always open to the public. In this case, it was open and I think that it was a major success. The response of the public to WOMEX varies, to be honest, which has to do with the motivation and the efforts of the local partners in promoting this event and emphasising the importance, not only of coming to see good concerts, but of this dimension of cultural exchange and cultural understanding and developing worldwide connections, even for the local public. In terms of numbers, this event this year clearly exceeded our expectations. We have never had an opening with so many tickets sold and also so quickly sold. I do not remember exactly when we had the first feedback. It was quite early, and there were already many tickets gone. So, that was very impressive. I think the local team has really done an excellent job in bringing WOMEX into the city, and not only showing Welsh music in the context of a world music festival like ours, but presenting the world to them in terms of music.

12:00

[250] **Nick Ramsay:** The next question is from Alun Ffred Jones.

[251] **Alun Ffred Jones:** Pa argraffiadau a **Alun Ffred Jones:** What impressions did
gawsoch o Gaerdydd ac o Gymru o ran you take away from Cardiff and Wales in
cerddoriaeth a diwylliant Cymru? terms of Welsh music and culture?

[252] **Ms Pöttsch:** What impressions? The impression was that music, Welsh music, is very much alive in Wales. You could feel it is not something being revived for export only, but it is something that is being lived on a daily basis, and passionately lived. You could really feel that at the opening concert as well as at the Horizon stage with artists from Wales. Wales has developed an impressive standard of professionalisation in terms of the quality of the bands and how it is promoted worldwide.

[253] As I pointed out before, Music Wales has been coming to WOMEX for a long time, so there was a development to be seen resulting in this edition of WOMEX. It is a huge development, especially from the perspective of developing the music industry. I also know from media reviews that, for example, Catrin Finch was received very well. Of course, she was not the only one, but she was a name that appeared in many different reviews. It was also a good way of matching the harp with the kora of Seckou Keita, and really showing what the instruments can build together, but also the differences. We also had this other example, which was really impressive, namely Ghazalaw, an Indo-Welsh collaboration—how well that worked. There was Gwyneth Glyn and her band from Wales, and Tauseef from India, which really developed poetry and music together in a way that felt as though they were becoming one. As for the reaction, it was not only at WOMEX; Cerdd Cymru: Music Wales members and I, before WOMEX, travelled to India to see the first concerts of the Welsh collaboration at WOMEX partner events in Mumbai, Delhi and Chennai. In India, it was received with the same enthusiasm, so it was really amazing to see how there was really an interest in collaborating and exploring a different kind of culture and music and in doing this together from both sides. It worked so well in both examples—both Ghazalaw and Catrin Finch and Seckou Keita. Of course, it also works with a single artist, but that is something that really stood out.

[254] **Alun Ffred Jones:** Does WOMEX make any evaluations of the economic and cultural impact on the host city, as you travel around?

[255] **Ms Pötzsch:** Do you mean the economic impact on the host city?

[256] **Alun Ffred Jones:** Yes. Does WOMEX itself make any evaluation of the economic impact?

[257] **Ms Pötzsch:** Yes. We do that in a limited dimension. We, of course, try to assess how many nights our delegates stay and what they spend on average during their stay. Then, calculating that, we develop some kind of model calculation to see what the economic impact has been of an addition. We do that, yes, but we like to collaborate closely with the host city to see what kind of numbers they calculated because, as I said, ours is a general model. It is always good to take into consideration specific figures and specific conditions.

[258] **Alun Ffred Jones:** Thank you.

[259] **Nick Ramsay:** Thank you, Anna. The next question is from Eluned Parrott.

[260] **Eluned Parrott:** Just following on from that question on evaluation, I am wondering whether you have a model to demonstrate how the WOMEX event translates into business outcomes for the music industry and whether you share that model with the host cities so that they can monitor and track the impact it has had on their own music industries.

[261] **Ms Pötzsch:** If you are talking about the expenditure of delegates and the production, there is a sort of model calculation that we share, but we are always asking for specific details so that the calculation is meaningful for a specific city. WOMEX has many outcomes or potential outcomes. The direct economic impact is one of them. If you are asking about deals made at WOMEX or concerts sold after WOMEX, those are not things we assess directly because our industry works slightly differently and many projects that derive from WOMEX cannot be tracked back directly in the sense of, 'Six weeks ago, at WOMEX, we made this deal'. It is really about people starting to sit together to develop an idea and meeting again at the next WOMEX. Many things take shape with a long-term perspective, and that is why we do not do those kinds of calculations, saying, 'These and these business volumes were reached this year at WOMEX'. That is not something we focus on.

[262] **Eluned Parrott:** Thank you.

[263] **Nick Ramsay:** Thank you, Anna. The next question is from Joyce Watson.

[264] **Joyce Watson:** Hi. I want to ask you whether WOMEX has any plans to come back to Cardiff. I note that you have gone back to venues previously.

[265] **Ms Pötzsch:** Yes. That is a very good question. We have registered interest from Cardiff for holding another edition of WOMEX. The answer is 'yes'; we would certainly be interested and we would certainly like to explore this idea. Some time ago, we agreed that we would take up the conversation again after WOMEX 2013, which is now. To conclude, it is correct that, in the past, we have gone back to host cities—not to all of them, but to many. The one thing that was very impressive—I have not really been able to lay this out in full detail—was that Cardiff was a best-practice model for us in terms of creation of legacy. The range of programmes leading up to WOMEX, during WOMEX and after WOMEX was unheard of until now. We would recommend that any future host city, if it is not Cardiff itself, should really look at this and take this as an example of how to make the best of this opportunity.

[266] **Joyce Watson:** Thank you; it is really nice to hear Cardiff being praised so highly.

[267] **Ms Pötzsch:** Yes, it was exceptional.

[268] **Nick Ramsay:** That is a good note on which to end. Does anyone have any further questions for Anna Pötzsch? I see that you do not. Vielen Dank, Anna, for being with us today. It has been very helpful. I know that it is not always easy doing the video link; it is even more difficult without the video bit as well. It has been really great; thank you.

[269] **Ms Pötzsch:** Diolch, and hope to speak to you soon. Thank you.

[270] **Nick Ramsay:** I bring this session of the Enterprise and Business Committee to a close.

*Gohiriwyd y cyfarfod rhwng 12:13 ac 13:29.
The meeting adjourned between 12:13 and 13:29.*

**Rheoliadau'r Rhwydwaith Trafnidiaeth Traws-Ewropeaidd (TEN-T) a'r
Cyfleuster Cysylltu Ewrop (CEF) (Cynhadledd Fideo)
Trans-European Transport Network (TEN-T) and Connecting Europe Facility
(CEF) Regulations (Video-conference)**

[271] **Nick Ramsay:** I welcome Members back to this afternoon's meeting of the Enterprise and Business Committee. This session will be conducted via a video-conference link with London. I will just give a bit of background to this session. On 21 November 2013, the committee took oral evidence from officials of the Directorate-General for Mobility and Transport in the European Commission. On the basis of its comments the committee decided to explore the rationale behind the decision to omit Wales from the core trans-European transport network corridor. We then took up this issue with the Minister for Economy, Science and Transport in the Welsh Government and her officials on 5 December. Today, we are pleased to be able to question the Under Secretary of State in the UK Department for Transport and his officials.

[272] I welcome our witnesses via video link. Would you like to give your names and titles for the Record of Proceedings?

13:30

[273] **Mr Goodwill:** Yes. Prynhawn da. I am Robert Goodwill, the Parliamentary Under Secretary of State at the Department for Transport. With me are Verna Cruickshank, Jennifer Dunlop and Jane Peters, who are officials who have been in the department slightly longer than me and may well be helpful in answering some of the more technical points you may want to raise. I apologise in advance for giving quite a long opening statement, but it is important to put on record the train of events and the way in which we interpret what happened. Then, we will be more than happy to answer questions that you may wish to pose.

[274] **Nick Ramsay:** Can I just interject there, Under Secretary of State? I know that you want to make an opening statement, which is okay. However, it is not a normal occurrence in this committee, so if you could keep the statement to five minutes maximum, that would be very helpful to us.

[275] **Mr Goodwill:** Okay. I will speak reasonably quickly if the interpreters can keep up.

[276] I understand that the committee is looking at EU funding opportunities over the finance period of 2014 to 2020, one of which is the TEN-T funding, and has raised some concerns on how the scope of the new TEN-T regulation may affect Wales. It would be

helpful for me to use this opportunity to first set out the Government's understanding of the European Commission's rationale for the new regulation and, secondly, to explain how the regulation will differ from the previous TEN-T guidelines. I want to explain how it will specifically affect Wales and the process and negotiations that led to the final adopted regulations. I thank the Welsh Government for its co-operation throughout this process. We worked closely with all the devolved administrations, before and during the negotiations, to ensure that we have a co-ordinated and united UK position to get the best deal for the UK as a whole.

[277] The background is that the Commission was disappointed with the progress of the TEN-T network. It saw it as a patchwork with bottlenecks and gaps between member states and transport networks acting as a barrier to the internal transport market. It wanted to address that and have a more focused TEN-T network based on clear planning methodology. It proposed the new regulation, which has three main changes.

[278] First, there will be two levels of network from 2014. The comprehensive network, proposed by member states, and the core network, proposed by the Commission. The core network is a higher-level subset of the comprehensive network, which will focus on funding by the Commission. Secondly, technical standards and infrastructure development are to be implemented by December 2030 on the core network and by December 2050 on the wider comprehensive network. We estimate that this could cost the UK between £64 billion and £137 billion and that it would be required whether or not the member states receive any TEN-T funding. To put those figures into context, £64 billion, the lower figure of the projection, is around one and a half times what the whole high speed 2 network is going to cost. Thirdly, the core network corridors will help implement the core network. The corridors will focus on cross-border infrastructure development between member states. The corridor trajectories were proposed by the Commission.

[279] So, what was the UK's objective for the TEN-T negotiations? The UK had four overarching objectives for the negotiations, which were agreed with all the devolved administrations. I can set those out later if that would be helpful, but, for now, suffice it to say that during the negotiations we tried to maximise our eligibility for TEN-T funding while minimising additional financial or administrative burdens on the UK from the technical standards infrastructure developments in the new regulation. As I have already mentioned, these could have cost the UK at least £64 billion and probably well over £100 billion. We also sought to maximise potential opportunities for Wales. Working closely with the Welsh Government, my department pushed the Commission to include the following in the core network: Milford Haven port, road and rail connections in south Wales to Milford Haven, and road and passenger rail routes in north Wales to Holyhead.

[280] On the core network corridors, I understand that the Commission has advised the committee that the UK requested the removal of Holyhead and Wales from the core network corridors and also for the corridor to be stopped at London. As I have said, the corridors concept was proposed by the Commission, as were their specific trajectories. We had concerns about the governance proposed for the corridors and the potential administrative burdens on the UK and we reserved our position on whether to be a part of the corridor throughout the negotiations. Our concerns were shared by the devolved administrations and also, to be fair, by other member states. We had discussions with the Commission to try to understand the rationale behind the corridor proposals for the UK, as there appeared to be no clear methodology in them. The Commission's focus appeared to be to align core network corridors with rail freight corridors to other member states.

[281] Finally, we repeatedly explained to the Commission that the UK's rail freight corridor was to end at London and that the majority of freight was international and arrived at ports and moved around the UK, not just up and down the west coast. Holyhead was removed by

the Commission in this process. There was no UK agenda to exclude Wales from the corridor, and indeed we did not request that Holyhead be removed. Please be assured on that point. Towards the end of the negotiations we were surprised to see the Commission add an annex to the Connecting Europe Facility regulation, which appeared to propose extending the UK's rail freight corridor north from London to Glasgow and Edinburgh, and we explained to the Commission that this was not supported by market or socioeconomic benefit analysis and circumvented approval procedures by the rail freight regulation. This appeared to be a further push by the Commission to support the trajectory of the corridor.

[282] I am on the last page but one now. As the UK is offshore to mainland Europe it has limited land borders with other member states, namely the Republic of Ireland and the channel tunnel, and has no contentious cross-border projects. Given the confirmation of the Commission and the European Parliament that the core network would be the priority for development and TEN-T funding, we did not see that the core network corridor would provide any additional benefits to the UK. We therefore sought to limit the administrative burdens being placed on the UK. An alternative to the Commission's proposal that we discussed was for the corridor to end at London, bringing it in line with the proposed UK rail freight corridor, and this was rejected as both the Commission and the European Parliament want the rail freight corridor extended from London to Scotland. The final decision on the points to be included or excluded from the core network corridor was taken by the Commission.

[283] It is important to understand that the decision on the core network corridor should have no impact on Wales's ability to apply for TEN-T funding. Throughout the negotiations the Commission and the European Parliament made it clear that the priority for development and TEN-T funding would be the core network, particularly rail and traffic management systems. It is equally important to understand that TEN-T funding is a competitive process, with all member states bidding for funding in response to criteria and implementation timescales set by the Commission. Projects applying for funding must be at a mature stage of development and planning, have a funding package in place and demonstrate added EU value. If there are projects in Wales that meet the criteria and the Commission's calls, these can submit a bid. My officials will continue to engage with the Welsh Government to make sure that it is aware when the Commission is likely to be publishing its calls for project bids and to assist it in the process of submitting bids. I understand that discussions have already taken place regarding the final call for 2013 and to plan ahead for the first call under the new 2014-20 financial period. Thank you very much.

[284] **Nick Ramsay:** Thank you for that statement, Under Secretary of State. The first question for you on this is from Byron Davies.

[285] **Byron Davies:** Hello. Good afternoon.

[286] **Mr Goodwill:** Good afternoon.

[287] **Byron Davies:** I think that you have answered the first part of my question, which was about the process by which the regulations were negotiated. I think that you have probably just about covered that. However, there has been quite a lot of confusion down this end of the M4 regarding this whole process. I would like to ask you about a letter that we have had from the Minister here with responsibility for transport. She tells us that

[288] 'Robert Goodwill MP, Minister of State for Transport advised in his recent reply to me that the UK Government reserved its position on Corridors because of concerns about governance, the potential additional administrative burdens and the net benefits, but did have discussions with the Commission to try to understand the rationale behind the Corridor proposal for the UK and requested that it be applied consistently.'

[289] Perhaps I could just add that this appears to be inconsistent with the evidence that we have had from the European Commission because it told us that the United Kingdom Government decided to restrict the corridors as much as possible and that this was a position taken by the UK alone. Perhaps you could throw some light on that for us.

[290] **Mr Goodwill:** Certainly, we were very concerned, as I explained during that opening submission, that we would expose ourselves to a very high cost to bring up the rail and road network within the UK to the sort of levels that participation in the full scheme would indicate are required. If I may give you some examples of that: these network routes, many of which go through towns, would have to be brought up to standard by, for example, putting traffic lights where a farm road joins a route or putting bypasses around towns. There was not really an understanding, in terms of the road network, of the way that many of our core routes continue through towns and other settlements and are connected by other local communities. It seems that their understanding was that these should be treated like motorways.

[291] Secondly, in terms of rail, we would have been exposed to considerable investment commitment, much of which, in my view, given our location on the periphery of the EU, would have been money wasted. It included modifying the gauge of the railways, looking at signalling to make those compatible with EU signalling systems and complying with the European rail traffic management system. Many of these would be absolutely applicable to transit countries, accession countries whose infrastructure perhaps does need to be brought up to speed to be able to allow cross-EU communication. However, in terms of the UK at the periphery of the EU, we felt that the downside was much greater than the potential upside in that we would have to be bidding for particular projects with no guarantee of getting that money.

[292] Other member states were concerned, I have to say. The Governments in member states were given more of a say on this in the revised text, and it was important for all member states that transport planning should remain in member states' competence. A number of people were concerned that they would not have had control over the type of investment they put into their own infrastructure, as I pointed out in terms of road and rail in the United Kingdom.

[293] **Byron Davies:** Okay. Who was the Minister for transport who led the negotiations on this?

[294] **Mr Goodwill:** It would have been my predecessor, Simon Burns, who was the Minister of State at the time. He is no longer in the department.

[295] **Byron Davies:** Right. Okay.

[296] **Mr Goodwill:** I am being asked to point out that there was cross-Whitehall agreement in the negotiations, so it was not Simon doing his own thing. There was full involvement of the department. As you probably know, Cabinet Office tends to breathe down our necks on all matters—[*Laughter.*]—and the Treasury; I guess you have the same problem down there in the bay. [*Laughter.*]

[297] **Nick Ramsay:** Yes. The next question is from Rhun ap Iorwerth.

[298] **Rhun ap Iorwerth:** A very good afternoon to you. I would like to ask some questions specifically about the port of Holyhead, not just because I happen to be the Assembly Member representing the island of Anglesey, but because what has happened in relation to Holyhead, I think, raises in the minds of many of us on this committee many questions about the potential inadequacies of the way this whole matter has been dealt with. I

am afraid that I am going to have to ask you to recap why the Commission decided—unilaterally, you say—to remove Holyhead from a core network corridor.

[299] **Mr Goodwill:** When it was explained to me, I had a bit of trouble understanding how it happened, but it occurred as part of this process. Holyhead disappeared from Commission documents—

[300] **Rhun ap Iorwerth:** At what stage?

[301] **Mr Goodwill:** It was during the process of negotiating when, as I mentioned in my initial remarks, we were talking about finishing at London. At that point, they understood—

[302] **Rhun ap Iorwerth:** But, what sort of dates are we talking about here? Are we talking about 2012? Was it 2013? Things are not dropped for no reason at all, are they? In October 2011, in the final draft regulation, Holyhead was included as part of a core network corridor, contrary to what the Minister with responsibility for transport in the Welsh Government told us yesterday. It was included; I have the documents in front of me here. It would not have been dropped for no reason. What was the reason, as far as you know?

[303] **Mr Goodwill:** We did not get full copies of all the documents at all points during the discussion process. During 2012 is the best estimate that we can give for when it happened. As far as Holyhead is concerned, obviously, it is not now in the core network corridor. The concept and trajectories for the core network corridors were proposed by the Commission.

13:45

[304] We had concerns about the governance proposed for the core network corridors and their potential administrative burdens on the UK, and reserved our position on whether to be part of a CNC throughout the negotiations. Whilst we have no record of formally seeking the removal of Holyhead from the CNC, there were discussions with the Commission to try to understand the rationale behind the CNC proposals for the UK, as there was no clear methodology. The Commission's focus was to align CNCs with the rail freight corridors to other member states, and we explained to the Commission that its CNC trajectories did not do this. It is possible that Holyhead was excluded from the CNC as part of that. There was no agenda to exclude Wales from the CNC, and the final CNC involving the UK was the Commission's proposal, which we then adopted.

[305] **Rhun ap Iorwerth:** You just said that you had no record of formally requesting the removal of Holyhead. That is very different from saying that you did not request that, which is what you told us some 10 minutes ago.

[306] **Mr Goodwill:** No, we did not request it. It disappeared from the Commission document. But, because we did not get a comprehensive document trail every time, it disappeared at some point during 2012, and there was certainly no—*[Interruption.]* Sorry, I was going to—

[307] **Ms Cruickshank:** I think that it was probably 20—. Do you want me to—.

[308] **Mr Goodwill:** Yes. Could I just allow Verna to come in because Verna was around at the time?

[309] **Nick Ramsay:** We might actually have more copies of the EU documents here than you have.

[310] **Mr Goodwill:** You may well have.

[311] **Nick Ramsay:** We will share them with you if you like. Do you want to hand over to your officer?

[312] **Mr Goodwill:** This is Verna Cruickshank.

[313] **Ms Cruickshank:** Hello. The reason why it is so difficult to try to pinpoint when this might have happened, as the Minister is explaining, is that, first of all, we did not get full copies of all the documents all the time. Sometimes certain chapters would be sent through and the focus of the discussions would be on those. The actual discussions on the corridors tended to focus on the governance, not the trajectories, so there was not meeting upon meeting that were minuted in any way, listing what was included and what was excluded. Predominantly, the discussions focused on the network maps, which are attached to the TEN-T regulation. There was not a corridor map; it was just a network map, so there were a lot of negotiations on the networks, and that is where we did have a lot more detailed records between ourselves and the Commission and ourselves and the Welsh Government. It was not picked up at the time that Holyhead was not on the corridor. The discussions simply did not focus on what was in and where it went. We focused on the methodology because we did not understand why it went where it went across the whole of the UK. Crucially, it was not a discussion about what should be on and what should be off.

[314] **Rhun ap Iorwerth:** You say that you did not request for it to be removed. What will be disappointing for the people of Wales, and Holyhead in particular, is that nobody requested that it be put back in when you realised that it was no longer there. Were you aware of any requests from the Welsh Government to put it back in?

[315] **Ms Cruickshank:** No, because we were potentially looking not to even be on a corridor. The focus was to make sure that things were on the core network, which we were told, and you were also told by the Commission, would be the priority for development and for funding. So it was important that we made sure certain things were on the core network. As the Minister has explained, we tried to make sure that Milford Haven was included and that the connections, both road and rail, to Holyhead and to Milford Haven were on the core network, to try to get Wales the best possible opportunity for funding.

[316] **Rhun ap Iorwerth:** There will be just one last question from me, because I know that other committee members want to come in. We are talking about the practical implications of the change, for whatever reason it happened. We may never find out what actually happened in that period, 2011-12. With Holyhead being part of a core network corridor, presumably the port itself would have been part of a core network corridor, because as much as I love the town of Holyhead, I am guessing the corridor was not there to serve the town itself, but would have meant including the port to take people over to Ireland. Having the change that we did see happen, what we have now is the port of Holyhead as a comprehensive port, and that is not maximising eligibility, which you said was one of the overriding objectives of your discussions over the transport network. Do you agree with me that Holyhead port will, without doubt, be disadvantaged because of what happened there, and the removal of Holyhead from the core network corridor?

[317] **Mr Goodwill:** I think that you are making an assumption there that, in any bids for this funding, projects of this type involving Holyhead would be successful. Our view was that the potential to get funding through this type of project funding from the Commission—given our peripheral location in the European Union and given the fact that the infrastructure in some of the accession states is in a far less developed state than ours—was not as good as it might have been in other member states. We definitely knew the downside in terms of the investment that we would have had to put in. Our view was that much of it would be wasted investment in bringing the networks in terms of road and rail up to standard. This big price

tag that was attached to it would have been a downside. So, we took the view that the best thing for the taxpayers of England, Wales, Scotland and Northern Ireland would be to end up with the outcome that we had.

[318] **Rhun ap Iorwerth:** So, yes, it is disadvantaged, but you are happy with that.

[319] **Mr Goodwill:** In developing a planning methodology for the comprehensive and core networks, the Commission sets thresholds for the inclusion of airports and ports as a percentage of the total EU passenger or freight transport throughout over a three-year period. Therefore, a port would have to demonstrate that it had reached that threshold to qualify. The advice that we had is that ports such as Holyhead would not be in a position to be seen as major ports to meet the qualifications. That point was very much borne in mind during that process.

[320] **Rhun ap Iorwerth:** But, we will never be able to find out now anyway, because we are only a comprehensive port.

[321] **Nick Ramsay:** Before I bring Mick Antoniw in, and for clarification for the committee, the draft European Commission document that we have here dates from 19 October 2011 and does include Holyhead. So, it is some time after this draft that that was dropped. Also, as a further point of clarification, and expanding on what Rhun said, the corridor, as we understand it, included the whole of Wales. If you look at the detail included, you will see that it did not just include the port of Holyhead and the north Wales route; the corridor itself would have hinged around the north Wales route, but it would have included the whole of Wales. Am I right in saying that, Minister?

[322] **Mr Goodwill:** That was the initial Commission proposal. Funnily enough, when I had a briefing on this earlier in the week, I asked when these things disappeared and they said, 'We know they were there at the start and we know when they weren't there'. There was no specific point at which that happened. It was the Commission that removed Holyhead and made these changes. There was no specific point that we could identify when it went, but we knew that the Commission took it out as part of the process. Indeed, as I said, Holyhead is not a port that would meet the significance criteria to attract the sort of funding that this was aimed at. It was aimed at bigger ports that are part of big trans-European networks.

[323] **Nick Ramsay:** While I recognise, Minister, that you were involved in looking at limiting the involvement of Britain as a whole in the corridor network, given that you knew that Holyhead had been dropped, was there any attempt to seek clarification on why that had happened?

[324] **Mr Goodwill:** Not at that point, no, as I understand it. We did not know that it had been dropped and we did not pick it up. Wales did not pick up that it had been removed either. By the time everybody woke up to what had happened, we were at a stage when it was not possible to revisit that. As I say, I do not think that it would have been to the advantage of the UK, necessarily, to put our neck in the noose for all these other requirements attached to it, with the potential of possible jam tomorrow in terms of bidding for these funds. The advice that I have been given is that we may not have been in a position to qualify for many of these types of funding streams from the Commission because of our peripheral location in the EU. It is important to understand that the funding is a competitive process, with all member states bidding for funding in response to the criteria and implementation timescale set by the Commission. As I said, these were looking for mature schemes that were shovel-ready; schemes that had funding packages in place and demonstrated value to the EU. A number of member states would be in a much better position to attract this sort of funding, particularly transit states. We all know—I used to be in the European Parliament—the state of the development of the transport networks in many of the new accession countries. Certainly, the

focus of the Commission, in my experience, was to try to bring those up to the standards that we have here in developed western Europe. We felt that the chances of actually winning many of these competitions were not as great as perhaps for these accession states.

[325] **Nick Ramsay:** I think part of the problem is that it has all been done in retrospect, has it not? We are not actually dealing with this at the time that the decisions are happening. Rhun, did you want to come back very briefly?

[326] **Rhun ap Iorwerth:** Very briefly. Just picking up on something that you said there, that it was too late, by the time anybody realised, to revisit this, in your view, would it have been possible or desirable to revisit the issue of Wales being part of the corridor had it been spotted on time?

[327] **Mr Goodwill:** I do not think that it would have been desirable, given the downside in terms of the compliance that would have been placed upon us. Whether it would have been possible, I am not sure; I was not part of the negotiations at the time. Maybe the Commission would be in a better place to say whether it would have been possible to have reopened that. However, certainly, we did not see it as desirable, because of the downside, which I have outlined.

[328] **Nick Ramsay:** Okay. I would like to bring in Mick Antoniw, then Alun Ffred Jones.

[329] **Mick Antoniw:** One minute, Holyhead is on the maps, and the next minute it is not on the maps, no-one is quite sure when it disappeared, and, during this time, you are having discussions with papers that you say are either incomplete or not all there. Is that a fair description of what has happened? You are conducting negotiations without actually having a very clear picture of what is happening at all.

[330] **Mr Goodwill:** I think that the position of the UK was to defend itself against unnecessary requirements being placed upon us, in terms of our road and rail networks, which we felt would not be of any benefit to UK citizens. I can understand that, if you are Luxembourg, sandwiched between France and Germany, then it is absolutely vital that rail traffic can continue through your territory into other member states. Here in the UK, we have a land border between Ulster and the Republic of Ireland and we have the channel tunnel and we have limited places where that sort of compatibility will be required, but unlimited obligations, if we were to fully comply, to have to bring our rail network up to speed so that other EU trains could run on our lines and so that our trunk roads met the sort of requirements placed upon other core routes within the EU, and we felt that, at the time, the downside was far greater than any potential upside.

[331] Let us not forget that there is an awful lot of money going into infrastructure in the United Kingdom from the British Government. We have big projects on electrification. The previous Labour administration electrified only, I think, six miles of railway. We have big electrification programmes and we have big programmes on the motorway network. I was down in Bristol earlier in the week looking at a managed motorway scheme there, which has cost £90 million. We have high speed 2, which will provide much better connectivity to the north of England and north Wales, feeding in through the infrastructure. So, nobody can accuse the Government here in London of not prioritising infrastructure and of not investing in the existing classic network, investing in high speed rail and in the motorway network. I believe that the type of funding that might come through these European mechanisms is a drop in the ocean compared to the major projects that we have been able to facilitate here in the UK.

[332] **Mick Antoniw:** It may be a drop in the ocean, but, if I could take you back to the actual question that I asked, what appears to have been happening is negotiations on a matter

that may be a minor part of an overall discussion, but is obviously important to us. Your department is engaged in discussions where, one moment Holyhead is on, and the next minute it is off, and no-one seems to have noticed that and, by your own admission, the papers that you have in front of you are actually incomplete; the maps are incomplete. It sounds to me as though those negotiations that have been conducted are totally shambolic, and that is why we are in the position that we are in.

14:00

[333] **Mr Goodwill:** I would not accept that point. In terms of Holyhead, you are making the point that we would not be in a position to bid for funding through this particular programme; I am making the point that it is a competitive process. For example, for a port to qualify as part of the core network, that port would have to represent 1% of EU passenger traffic and 1% of freight traffic through EU ports. The position was that Holyhead was not going to qualify in that way. Therefore, we had a competitive process that we did not think we were in a position to succeed in, so we did not expose ourselves to the massive levels of compliance that we would have exposed ourselves to as part of the programme in terms of the rail network and the road network and so on. For example, connectivity of airports is a part of this, and, because London Heathrow Airport—despite the Heathrow Express and the London Underground going there—is not connected to the core rail network, we would have been required to ensure that airports such as Heathrow and Leeds Bradford International in my own region had upgraded rail connections, because that was part of the whole network. So, there was a tremendous risk that we would have been exposed to having to follow the Commission's proposals in terms of investment in our infrastructure and not our own particular UK priorities, in Wales, England, Scotland and Northern Ireland, which I believe brings that down to local decision making and local priorities.

[334] **Mick Antoniw:** Would you agree with me, Minister, that at the time when those decisions were being taken you did not have the full or accurate information in front of you, no one had noticed a significant change, and the negotiations continued without the full information, and it was only some time subsequently that the change was actually discovered? Those negotiations were taking place without the information in front of you—whether what you are saying now is correct is one thing, but you cannot argue that point without at least having said at the time that it happened that you were in possession of the all the information and the full facts. It seems to me, from what you are saying, that, in actual fact, you did not know what was going on at the time—I am not talking about you personally, but in terms of the department—and that is why I ask how you can say that what was happening in those negotiations at that time was anything other than totally shambolic.

[335] **Mr Goodwill:** I would not accept that it was shambolic. In terms of Holyhead—

[336] **Mick Antoniw:** What would you say that it was?

[337] **Mr Goodwill:** Having looked carefully at the rules of the core network, Holyhead would not have met the requirement of having contributed 1% of EU passenger freight and—

[338] **Nick Ramsay:** May I just come in there, Minister? Do those figures relate specifically to Holyhead? I understood that the 1% figure related to the whole of the infrastructure associated with the port, and not simply the port itself, but I may be wrong on that. That is my understanding of it, however.

[339] **Mr Goodwill:** Well, the table that I have in front of me here would indicate that the threshold for inclusion of an airport or a port as part of the core network is 1% of EU throughput—EU traffic through ports. Holyhead did not meet that requirement, and therefore would not have been in a position to bid for that core network status. The infrastructure

supporting Holyhead would have been in a similar position.

[340] **Nick Ramsay:** Okay. I think that we need to move on. Alun Ffred Jones is next.

[341] **Alun Ffred Jones:** Do I understand the position? You state that the Commission removed Holyhead from the maps, but, in fact, the UK Government did not want it there anyway. Is that a correct interpretation of what you said?

[342] **Mr Goodwill:** We did not ask for it to come off—

[343] **Alun Ffred Jones:** You are not unhappy that it is not there, however.

[344] **Mr Goodwill:** Holyhead would not have qualified, therefore it is immaterial, in some ways, because it would not have been in a position to bid for the money. Whether it was included or not, it would not have been able to bid as a part of the core network because it did not meet the criteria in terms of the total amount of EU port traffic that would take it to the 1% threshold. So, unfortunately, from Holyhead's point of view, it would not qualify anyway, so it would have fallen at the first hurdle, had it—

[345] **Alun Ffred Jones:** It was included by the Commission on its map in 2011. You have mentioned 'peripheral', but I assume that it is not peripheral if you look at the link—which the Commission itself has noted—as the Dublin, London, Paris and Brussels corridor. It is not peripheral to the Republic of Ireland, is it?

[346] **Mr Goodwill:** There was not a core corridor map; there was the comprehensive network map, which I have in front of me here, and I presume that you have as well. However, there was actually no core corridor map produced at that time.

[347] **Alun Ffred Jones:** Right. You mentioned the issue that, in your view, it would be unlikely that bids around the transport infrastructure from Wales or the UK would be successful because of the very good state of our transport network, but obviously you are not very familiar with the railway track in north Wales. You talk about HS2 and so on, and links to north Wales, but, in fact, the railway line across the north Wales corridor, which links Holyhead to Ireland, of course, belongs to an earlier steam age. Surely, it would have been advantageous to be able to bid for European money to upgrade—

[348] **Nick Ramsay:** May I just point out, before you answer that, Minister, to the committee and to yourself, that I think that there are two issues here that need untangling. The first is whether Holyhead, which you have been talking about, would qualify on the core network. The second issue is whether Welsh infrastructure itself is included in a corridor, which would include road and rail. So, there are two aspects to this and it is not helpful if the Minister is talking about one aspect of it and we are talking about another. I interjected there on Alun Ffred's question; perhaps you would like to address that, Minister.

[349] **Mr Goodwill:** Whether we are talking about a rail or a road corridor or route, any bid would have to meet the Commission's criteria. Our view is that it is unlikely that, in this competitive process, we would be successful in many locations for a number of reasons.

[350] **Alun Ffred Jones:** Why is that? Why do you say that?

[351] **Mr Goodwill:** Well, because the Commission is very keen to improve the infrastructure, focused on rail. We are already embarking on large-scale electrification of the rail network, and, of course, in other parts of the EU, there are particular parts of the infrastructure that are not well connected, because of historic reasons and the iron curtain, I suppose. There are other locations where the Commission's criteria would be much more

likely to be met than parts of the United Kingdom. Therefore, the view was that we were putting our head in the noose for the compliance, which has a very expensive price tag attached to it, on the off-chance of getting some of the bids accepted. We felt—the Minister at the time and the officials conducting the negotiations felt—that the best outcome was that we would not expose ourselves to this type of compliance expenditure.

[352] **Nick Ramsay:** I have some interesting figures here for the committee. Between 2007 and 2013, the website of TEN-T Executive Agency suggests that the UK was involved in 49 projects. I am not sure of the scale of those projects, or what their actual details were. However, there were projects accepted over that six-year period.

[353] **Mr Goodwill:** The point is that the focus of the Commission is on cross-border projects. Therefore, any project that could qualify as cross-border would have to include Holyhead, because connections to the Irish Republic would, by definition, be cross-border. This is not about improving internal communications within the UK; it is about ensuring that these trans-European networks, which the Commission is very keen on to promote trade and the movement of people, et cetera, are there. Therefore, it is unlikely that the sort of routes that we are talking about would meet the Commission qualifications, because they are not primarily cross-border bottlenecks, which are what it is specifically aiming to address. The fact that, as part of the route to the Irish Republic, Holyhead does not meet the port criteria, would, I believe, rule it out from any projects that encourage traffic via Holyhead to the Irish Republic.

[354] **Alun Ffred Jones:** Yet Liverpool is included. Is Liverpool a prime port for Dublin and Ireland?

[355] **Mr Goodwill:** Yes, Liverpool would have met the freight criteria because of the throughput through Liverpool, but not the passenger criteria.

[356] **Nick Ramsay:** I am going to bring in Julie James briefly now, and then Joyce Watson.

[357] **Julie James:** Thank you, Chair. Good afternoon. We have a transcript of what the official from DG MOVE actually said on this point here, if that would be helpful. He says:

[358] ‘It would have been beneficial to have Holyhead in the corridor. In that way, we would have been, I would say, capable of analysing the investments that are needed alongside that rail and road line in conjunction with the developments that will take place in Dublin...You are absolutely correct that inclusion would, of course, have provided this information and would, thereby, also have enhanced, for the benefit of all of the member states, the EU added value’.

[359] So, what we have now is a map, which I understand was finalised last summer, which does not include Wales, and, as far as I can see, that is the only region that is not included. Liverpool is included, and we have the official from DG MOVE saying that. I wonder if you could comment on that, Minister.

[360] **Mr Goodwill:** The first point to be made is that passenger traffic from Holyhead to Northern Ireland would not be included as part of the qualification criteria by the Commission, because that is within the United Kingdom. The level of passenger traffic through Holyhead did not meet the criteria. What the Commission was saying was not quite the same thing as saying, ‘If an application were made for investment in connectivity to Holyhead through north Wales, then we would have approved it’. We would still be in a competitive process, and the view was taken that we had been likely, for a variety of reasons, to be successful in that competitive process, but by participating in the process we would also

expose ourselves to the investment that would have been required to bring up a number of roads and rail routes to the EU standards that are required, much of which, in the view of the UK Government, was unnecessary and wasteful.

[361] **Julie James:** I hear what you are saying, Minister, but I have to say I do not think that that concurs in any way with what the official from DG MOVE was saying. I just reiterate: he is specifically talking about Dublin, and he is specifically talking about the added value that looking at the Dublin Area Rapid Transport project would have brought to a link with Holyhead. So, I do not think there is any point in us arguing about it. It seems to me that you are in complete contradiction with what has been said there.

[362] **Nick Ramsay:** We have only got 16 or 17 minutes left.

[363] **Mr Goodwill:** It would not be the first time that the UK Government did not agree with everything that the European Commission says. At the conclusion of the negotiations the UK was content that we had secured the best position for not only the people of England, but the people of Wales.

[364] **Nick Ramsay:** Okay, that is clarified. We need to move things on to other areas that we want to talk about. First of all, Joyce Watson—I know you have been waiting a long time, so if you would like to ask a brief question, I will then bring in Keith Davies.

[365] **Joyce Watson:** I cover Mid and West Wales, and live right next door to Milford Haven, so at least that is there. I am mystified—I think that is the kindest way I can put it—as to the decision that was taken at UK level without really looking at the detail and costings therein, according to what was just read out by my colleague, Julie James, in the best interests of Wales. That is the bit that I am not going to be able to understand, and I know that you are not going to give me an answer, so I am not going to pursue it any further.

[366] **Nick Ramsay:** Can we stick to questions?

[367] **Joyce Watson:** Well, there is no point, because we have gone round and round and round. It is participation in the corridor network that I might as well pursue, and maybe I will get an answer. I would like to know the reason why the UK Government agreed to participate in a North sea-Mediterranean corridor that includes all parts of the UK except for Wales. Maybe we could have an answer to that.

[368] **Mr Goodwill:** I might have to defer to one of my officials on that as I am a little unsighted on that particular question. In terms of Milford Haven, without large amounts of EU subsidy, it handled 39.8 million tonnes of cargo in 2012, and handled 29% of Britain's sea-borne trade in oil and gas, and is well able to stand up for itself without the need for going cap in hand, dare I say, to the EU, to the Commission for funding. Milford Haven is a very successful port and one that will continue to be successful. I think it would be difficult to make the case that we need EU funding to secure its future and EU connectivity. So far as the specific point that you raised is concerned, I do not know whether any of my officials were covering that at the time.

14:15

[369] **Ms Cruickshank:** With regard to the corridor, the Minister mentioned in his opening statement that we tried to have or we discussed with the Commission limiting it to come up to London because of the concerns about the administrative and financial burdens of the corridors. However, the Commission and the Parliament would not accept that. They wanted to align it with the rail freight corridor. Although that currently is only due to come up to London, both the Commission and the Parliament are pushing for it to be extended up to

London—

[370] **Mr Goodwill:** Scotland.

[371] **Ms Cruickshank:** I am sorry; up to Scotland. So, they pushed for the TEN-T corridor to also go up to Scotland. There was no explanation for that. We had several discussions about it, but there was no explanation that we could get other than that is where they wanted it to go. I just want to come back to the issue of whether it would be possible to change the corridor since they would not listen to our requests on that. I do not think that we could have influenced the direction in which the corridor was going. The Commission appeared to have a specific idea of where it wanted the trajectory to go.

[372] **Nick Ramsay:** I would like to bring in Keith Davies on access to CEF funding.

[373] **Keith Davies:** Looking at connecting Europe funding and the Innovation and Networks Executive Agency website, it seems that the UK Government has not identified any parts of Wales as having a project, whereas Northern Ireland has six projects listed. There are 49 projects listed in total, six for Northern Ireland and not one for Wales. Why are we in that position?

[374] **Nick Ramsay:** I am not clear where you are getting those figures from, Keith.

[375] **Keith Davies:** They are in the report.

[376] **Mr Goodwill:** It is for the Welsh Government to identify projects. As I understand, there is one in the annex that has been identified. My officials are just having a look. We certainly support identifying in the forecasting CEF TEN-T funding on projects that provide added EU value for money and address bottlenecks and gaps. The Milford Haven-Swansea-Cardiff project, which is an upgrading of rail, is already in that annex and it is one of the challenges for the Welsh Government to identify other projects that might be successful in that regard. However, there is one in there. Certainly, if there are other projects that would qualify, then I hope that you can identify them.

[377] **Keith Davies:** Thank you for that. So, it is for this committee to ask the Welsh Government what other projects it has in mind, bearing in mind that you have listed one already for us.

[378] **Mr Goodwill:** There is one in there and if the Welsh Government can identify others, then, certainly, they may be successful. Of course, there is always a balance to be struck in a bidding process between taking a view on the likely success of a bid and how much resource you put into producing that bid if you know in your heart of hearts that it is unlikely to be successful. So, we have a number of situations not only with EU money but, certainly, with Westminster and money from the Treasury, where we ask for bids from local authorities or devolved administrations, when the person making the bid needs to take a view as to whether they meet the criteria. That takes us back to the points that we were making about the corridors and the likelihood in our view that we would be unlikely to have projects that would qualify.

[379] **Keith Davies:** My final question is this—

[380] **Mr Goodwill:** I have just had a note passed to me. It says that any project would need to have a funding package in place to bid. So, work would need to be done to ensure that funding was in place before a bid could be made.

[381] **Keith Davies:** That leads me on to my last question. How should the comprehensive

networks be developed given that CEF funding is primarily focused on the core network?

[382] **Mr Goodwill:** I have a brief on that. There is limited funding for projects on the comprehensive network. There is up to 5% of CEF budget, which will address bottlenecks and cross-border traffic flows that support the development of the core networks. May I refer to article 7.2(b) of that particular document, which would indicate what is likely to qualify, but, as I said, there is limited funding there through that particular budget line.

[383] **Keith Davies:** So, what you are telling me is that, if we are not on the core network, we are unlikely to get funding.

[384] **Mr Goodwill:** That is the Commission's preference, but, indeed, that is the case because the Commission sets priorities and, if one does not meet the priorities—we mentioned Milford Haven and the level of traffic, for example—you can make as good a case as you want, but you will not succeed because you do not meet the criteria set by the Commission to qualify.

[385] **Keith Davies:** Thank you.

[386] **Nick Ramsay:** Minister, just before I bring in Julie James with another question, I noticed that the Commission believes that the TEN-T regulation requires full electrification of both the north and south Wales main lines by 2030. Would that be something that your department would agree with or is that a Commission aspiration?

[387] **Mr Goodwill:** Well, aside from what the Commission wants to do, we are rolling out electrification up and down the country. The previous Labour administration electrified six miles of rail, which is ever so slightly more than my son's Hornby train set. We are electrifying hundreds of miles and, of course, building a brand-new rail line, which will also be electric, linking the major cities of England and also allowing connectivity with lines coming from Wales, freeing up capacity on the existing network. Certainly, this Government has made it clear, not by what it says but by what it is doing, that electrification is a priority to improve the reliability and effectiveness of rail networks. The evidence is out there; there are engineers out there working today, electrifying lines. There are plans in place to do more electrification, so we are leading by example not by what we have said.

[388] **Nick Ramsay:** I think that the background to that question is that we all welcome the electrification of the south Wales line, but I know that some north Wales Members are very interested to know about plans for the north Wales line. That was the background to it, but I appreciate that work on electrification has been done.

[389] **Mr Goodwill:** Rome was not built in a day, but then I was not the foreman on that particular project.

[390] **Nick Ramsay:** Okay, we are coming to the last part of the session. Julie James, you have some questions on Welsh Government engagement with past funding programmes.

[391] **Julie James:** Thank you, Chair. My questions are on engagement generally, really. Minister, I am not too sure whether you will be able to answer this as you have been in post for only a short while, but perhaps some of your officials will have some of the details. We are interested in testing the level of engagement with this programme by looking at past performance so that we can encourage Governments to participate perhaps a little more fully in the next set of funding applications. Do you have any details of the number of applications for grant funding submitted by the UK as a whole, broken down by devolved administration in the last set of funding rounds?

[392] **Mr Goodwill:** We may have to write you on that one, but, if my officials have it to hand, they can certainly give you some indication.

[393] Apparently, there are none currently, but Wales is part of the EasyWay project and is therefore participating in that particular project. So, you may wish to get some more information on how that is working out.

[394] **Julie James:** Well, thank you for that, but what I was really looking at was what historic information you have across the UK as a whole for the number of applications for grant funding submitted during the 2007-13 programme, just for us to gauge the level of engagement. I have no problem if you do not have that information now, but if you could supply that information it would be great.

[395] **Mr Goodwill:** I am told that there is a list on www.gov.uk, but, for your assistance, we will send you the specific information so that you have it to hand as you produce your report.

[396] **Julie James:** Thank you. Where I was trying to go with that, on the basis of that—although, unfortunately, we do not know what that is right now—was to ask whether you think we need to have a greater strategic arrangement in place for participation in the forthcoming programme or are you very happy with the level of engagement and participation you currently have?

[397] **Mr Goodwill:** I think we need to be realistic about the chances of success in particular bids. I do not know whether you have been in Brussels recently, but, during the negotiations on the overall EU budget, it was quite clear that the accession states saw EU funding for infrastructure projects as one way of addressing the domestic financial problems that they had within their own economy and the cuts that they were having to implement. Whatever criteria that you look at, whether it might be levels of income or how advanced the infrastructure is, you will see that it tends to be the accession states that tick the boxes. I think that the Commission makes no secret of the fact that, in having policies that seek to have better cohesion and bring up the poorer parts of Europe to the rest, EU funding is one way of doing that. Before we had the accession states in the poorer parts of the UK, places like South Yorkshire in my own region found it very easy to access EU funding, but we are now finding it much harder to get access funding in the UK because of the relative wealth that we have compared with some of the poorer countries, particularly places like Romania and Bulgaria, where incomes are lower and where there has been a historic underinvestment in infrastructure. Certainly, I am sure that if you speak to the Commission, you will find that it sees part of its role as bringing the levels of infrastructure and investment in those states up to the EU average. That does make it very difficult for the UK in putting together the sort of bids that would be successful, as I am sure that you will understand.

[398] **Julie James:** Thank you for that. I am sure that you know that west Wales and the Valleys still attract cohesion funding, even given their relative poverty to some of these European states. Clearly, we are still in receipt of cohesion funding. Am I given to understand that you think that there is no point in putting in an application because we have no chance of success? Is that what you are saying?

[399] **Mr Goodwill:** I am saying that the Commission has laid down very tight criteria, which indicate which projects are likely to get success. Therefore, when one puts in a bid for whatever, whether it be cohesion funding, infrastructure funding or whatever it might be, one needs to ensure that one ticks all of the boxes that the Commission has indicated as ones that need to be ticked. It is becoming increasingly difficult in some cases to tick the right boxes given that the rules are written by the Commission, for quite understandable reasons, because of the very different levels of historic investment in infrastructure and the very different levels

of wage and income that we see across the EU. The Commission does not make any secret of the fact that it sees that as part of its role in bringing living standards within the EU up to the sort of levels that would—

[400] **Julie James:** I understand that.

[401] **Nick Ramsay:** I now call on Eluned Parrott.

[402] **Eluned Parrott:** You said that, essentially, you took a policy decision to restrict the corridors on the basis of the obligations that it places on you. We are talking about cost, are we not? You have talked about governance and administrative burden, but you have not actually said what you mean, and what your problem with the governance structure is, or the administrative burden. It is the cost that you are worried about, is it not?

[403] **Mr Goodwill:** An administrative burden places a cost on compliance. As I said, the minimum figure that has been given to me is £64 billion, much of which would be, in my view, wasted money because of the fact that we are not a country surrounded by lots of other member states that wish to run their rolling stock across our rail network. Therefore, a lot of that would be wasted. Transport planning is, of course, a member state competence, and therefore the European Commission is not dictating to us what priorities we should have, but it is very much down to each member state to decide what its priorities would be. In this case, we have decided what our priorities are.

[404] **Eluned Parrott:** Yes, indeed. Of course, the Welsh Government also has competence in this area, so it is not such a clear-cut question of Westminster competence. Can you perhaps tell me what the balance between public and private sector financial burden you think that there will be? You said that the cost is between £64 billion and £137 billion, but not all of the infrastructure that requires upgrading is in public ownership.

[405] **Mr Goodwill:** The vast majority is. The strategic road network, the local road network and the rail network are, by and large, public goods, therefore the vast majority of the investment that would need to be found would be public money. Yes, there are ports and airports that may be given some assistance to their connectivity, but, by and large, this would fall on the shoulders of the hard-pressed taxpayer.

14:30

[406] **Eluned Parrott:** How did the—

[407] **Nick Ramsay:** Very briefly now, Eluned.

[408] **Eluned Parrott:** One of the things that the Commission pointed out was that the TEN-T regulations require full electrification, not only of the south Wales main line, but also of the north Wales main line by 2030. Do you agree with that assessment and do you think that it is essential if the north Wales coast is to benefit from HS2 as you have previously stated in this session?

[409] **Mr Goodwill:** I think that we have shown by example that the electrification of rail services is a priority for this Government, not only because of better reliability, but because of environmental sustainability and, as we move towards more sustainable sources of electricity, using them to power electric trains and our train lines is a no-brainer. It is something that we must do. As we move from fossil fuel generation to renewables and nuclear, and as we start to build our next generation of nuclear power stations in this country, electrified trains are the easiest way to have sustainable transport in our country and your country—

[410] **Eluned Parrott:** What is the timetable on that for the north Wales coastline?

[411] **Mr Goodwill:** My colleague Stephen Hammond—it is passing the buck—is responsible for the rail network, but we are certainly determined to—

[412] **Nick Ramsay:** If you can get an answer to that question about 2030, Minister, we would be very grateful, because we are all beside ourselves with suspense as to whether the north Wales line will be done by 2030, as you have probably gathered. I appreciate that we are out of time, but—*[Interruption.]* I am sorry, please continue.

[413] **Mr Goodwill:** It says here that the business case is expected to be considered as part of the rail investment strategy for 2019-24, to be announced in July 2017. So, that is the timescale in which that decision will be made.

[414] **Nick Ramsay:** Okay. Do you have time for one more brief question, Minister?

[415] **Mr Goodwill:** Of course.

[416] **Nick Ramsay:** Great. Mick Antoniw?

[417] **Mick Antoniw:** Minister, during the course of the next set of negotiations that your department is engaged in, do you agree that it would be helpful to have up-to-date and accurate information in front of you when those negotiations are conducted?

[418] **Mr Goodwill:** The short answer to that is ‘yes’.

[419] **Mick Antoniw:** Thank you.

[420] **Nick Ramsay:** Thank you for your succinctness. May I thank our witnesses, Robert Goodwill MP, Parliamentary Under Secretary of State for Transport, and his officials for being with us today? I appreciate that doing it by video link is not always the easiest way, because of the delay, but we had a lot of questions and I think that a lot of areas were discussed. I have a little bit more of a headache than I had at the start of today’s session, but this issue about core corridors and networks has thrown up some very interesting questions and issues surrounding the future of their designation.

[421] May I ask you as well, Minister, whether you would be happy for committee staff here to have an ongoing dialogue with your officials as part of our forthcoming inquiry on European Union funding opportunities, which include CEF?

[422] **Mr Goodwill:** Absolutely. I would be surprised if that were not happening already, but, certainly, we are more than happy to engage in a dialogue. In fact, I have not been to your parliament building down there, so I would be delighted to come at some point and meet with you personally.

[423] **Nick Ramsay:** We would certainly extend you that invitation. You are more than welcome to come here. That would be a very good meeting for us. Thank you. I should also say that you will have a transcript of today’s meeting.

[424] I close the meeting.

*Daeth y cyfarfod i ben am 14:34
The meeting ended at 14:34*

(1) The witness has issued the following correction:

Cyhoeddwyd y cywiriad canlynol gan y tyst:

The business plan developed in 2010-11 was originally set up to deliver with some Government support—when we put it together, there was no extra funding other than the original funding that came from the Arts Council of Wales and that committed by the MEU at bid stage.