The primary purpose of the House of Lords European Union Select Committee is to scrutinise EU law in draft before the Government take a position on it in the EU Council of Ministers. This scrutiny is frequently carried out through correspondence with Ministers. Such correspondence, including Ministerial replies and other materials, is published where appropriate.

This edition includes correspondence from 4 June 2014- 4 December 2014

**EXTERNAL AFFAIRS**

**(SUB-COMMITTEE C)**

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A EUROPEAN UNION MARITIME SECURITY STRATEGY (7537/14)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to you regarding the Explanatory Memorandum on the Joint Communication, Elements for a European Union Maritime Security Strategy, which was cleared by the Lords Sub Committee C on 13 May and on which the European Scrutiny Committee reported on 30th April and 11th June (European Scrutiny Committee Report 35857). I now wish to provide the Committees with my final assessment of the EU Maritime Security Strategy.

As you will recall, the Joint Communication was intended to form the basis of the EU Maritime Security Strategy. This has now been developed and is due to be adopted at the General Affairs Council on 24th June through Council Conclusions, before being noted at the European Council on 26th June. A copy of the final draft is attached [not printed]. Although none are expected, I shall update you if any substantial changes occur before adoption.

The attached [not printed] Strategy is being provided to the Committee under the Government’s authority and arrangements agreed between the Government and the Committee for the sharing of EU documents carrying limited marking. It cannot be published, nor can it be reported on substantively in any way which would bring detail contained in the document into the public domain.

Following the release of the Joint Communication, UK officials have been fully engaged with the drafting of the EU Maritime Security Strategy. The Strategy is consistent with the UK’s wider maritime security objectives of promoting a secure international maritime domain, upholding international
maritime norms and assuring the security of vital maritime trade and energy routes. The commitment to improve coordination within the EU and between Member States is very welcome.

In my previous letter, I set out a number of particular areas of concern, including the suggestion of new legislation and the need for stronger references to NATO. We have pressed hard on these and other points and across all areas of concern, the UK’s red lines have been protected. The UK secured language guarding against new legislation in paragraph (b) on page 4 of the EU MSS, and multiple references to NATO, such as paragraph (d) on page 5 "cooperation with all relevant international partners and organisations, in particular the UN and NATO...are essential”.

The next stage will be the development of an Action Plan under the Italian Presidency and UK officials will continue to be engaged as this develops.

20 June 2014

A NEW DEAL FOR EUROPEAN DEFENCE: IMPLEMENTATION ROADMAP FOR COMMUNICATION COM(2013)542; TOWARDS A MORE COMPETITIVE AND EFFICIENT DEFENCE AND SECURITY SECTOR (11358/14)

Letter from the Chairman to Dr Andrew Murrison MP, Parliamentary Under-Secretary of State, Ministry of Defence

The House of Lords European Union Sub-Committee on External Affairs considered this document at its meeting on 9 September.

We note that the proposal is still at a relatively early stage and ask that we continue to be kept apprised of any substantive developments. In particular, we note the proposed Green Paper on the control of industrial and technological assets in defence and security. We are not clear as yet what the Commission’s “European Approach” would look like and the concomitant national ramifications. We look forward to further details on this in due course.

Furthermore, have the recent events in east Ukraine and NATO discussions to bolster its defences affected the substance of the negotiations on this Communication? As the Government and the Communication emphasise that the EU should complement the work of NATO it must surely be an important part of the discussions.

Finally, we recall that previous attempts by the Commission to create an integrated defence internal market have stumbled on national sensitivities and the lacklustre implementation of Directives by some Member States, some of which are referred to in the Roadmap. Will this Communication have a graduated approach setting out short-term and then perhaps more ambitious long-term proposals? Are there other ways of proceeding that might guard against the danger of Member States’ slippage?

On the first question we look forward to your response in due course. We would be grateful for a response to the other questions in the usual ten working days. In the meantime, we are content to clear this proposal from scrutiny.

9 September 2014

Letter from Dr Andrew Murrison MP to the Chairman

Thank you for your 9 September letter to Dr Murrison, clearing the above document from House of Lords Scrutiny. You asked for our comment on some aspects of the Commission’s Communication as well as on the impact of some of the recent developments in the Euro-Atlantic security arena. I am responding to you as EU matters are now under my remit following the Summer 14 ministerial changes in the MOD.

As we set out in the Explanatory Memorandum, the UK worked hard to seek to influence the preparation of the roadmap before its publication and as a result, the Commission took a more cautious approach than might have been the case (with many of the proposals at a high level). The key going forwards will be for us to remain proactively engaged in discussions to develop the detail of the proposals, including bilaterally with the Commission as well as with other Member States (including through the Letter of Intent 1 group) and the European Defence Agency. We will seek to

1 France, Germany, Italy, Spain, Sweden, UK
influence the debate in line with our priorities to deliver benefit for the UK. And we will continue to resist the areas we consider to be greatest risks, including any actions that could potentially cross UK red lines such as no EU ownership of capabilities, actions that may limit our ability to procure the best capability for our armed forces and Commission action in third markets (where we are clear that export policy is a matter of national sovereignty). In addition, we will continue to work to ensure that there is no extension of competence on the part of the Commission.

In your letter, you draw attention to the link between recent events in east Ukraine, NATO discussions to bolster its defences and the European defence industry. As you will be aware, at the 4/5 September NATO Summit, Heads of State reaffirmed the strength of the Alliance and committed to providing the resources, capabilities and political will required to ensure the Alliance remains ready to meet any challenge. And it was recognised that a strong defence industry across the Alliance remains essential for delivering these capabilities. As such, we believe it is more critical than ever to focus on creating a more innovative, sustainable and competitive defence industry in Europe. Whilst we are clear, of course, that the main drive and responsibility for this lies with Member States and of course the defence industry themselves, we welcome support, where appropriate, from the European Commission and the European Defence Agency in areas where they can truly add value. This is not only important to deliver the capabilities needed by our Armed Forces, but also for our long term economic growth.

You also highlight the difficulties faced in creating a more open internal European defence market. Supporting the implementation of the internal market and ensuring that companies from across the EU can compete on a level playing field is one of the top priorities for the UK. But we believe that it is important the Commission takes a pragmatic, rather than overzealous approach here, which would most likely be counterproductive and reduce transparency. And, recognising that the Defence Procurement Directive has only recently been transposed into law in all Member States, it needs to be given time to bed down. We therefore feel that the Commission should focus in the short term on supporting Member States to ensure consistent implementation of the Directive across the EU as well as encouraging transparency over Article 346 and supporting SMEs and R&D. Longer term, we believe it could be beneficial to make a further assessment of the impact of measures aimed at supporting the internal market, including the Directive, on the defence market and cooperation in Europe, but only at the appropriate juncture.

We will, of course, keep you informed of substantive developments including on the Commission’s proposals related to the control of defence industrial and technological assets, as you have requested.

8 October 2014

A STRONGER ROLE OF THE PRIVATE SECTOR IN ACHIEVING INCLUSIVE AND SUSTAINABLE GROWTH IN DEVELOPING COUNTRIES (9802/14)

Letter from the Chairman to Lynne Featherstone MP, Parliamentary Under-Secretary of State, Department for International Development

At its meeting on 19 June the EU Sub-Committee on External Affairs considered the above document and decided to clear it from scrutiny.

As you know, last year the Committee conducted enhanced scrutiny of the EU’s WASH programme and many aspects of the Communication are pertinent to the evidence we heard. In particular, we concluded that there was an opportunity for private sector external finance to reinforce financial sustainability and efficiency and to build economic resilience of the WASH programme. However, sub-Saharan Africa is not always an easy context within which to operate and both the private and the voluntary sector need specialised support in order to enable their potential to be unlocked.

Though we were content to clear the Communication from scrutiny, the real proof of the success of the framework will lie in its application to specific projects. We would therefore be interested to hear your assessment of how the principles outlined in the Commission’s Communication could be utilised in the WASH programme, and which aspects the UK Government will be taking forward in order to improve the financial sustainability of that programme. In particular, how can the framework be adapted to ensure that the private and voluntary/NGO sectors work effectively and sustainably with local interests?
We hope that the new principles outlined in the Communication will enable the EU to harness the power of the private and voluntary sector to ensure the long-term success of the WASH programme and look forward to your response in due course.

26 June 2015

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 26 June 2014 regarding the application of the principles set out in the Communication above to the European Commission’s Water, Sanitation and Hygiene (WaSH) programme.

As previously stated, we welcome the Commission producing a Communication on the role of the private sector in development programmes: it is the private sector that creates wealth in society, taking risks, innovating, and transforming economies. The Department for International Development has made economic development a priority for our programming.

APPLICATION OF THE COMMUNICATION’S PRINCIPLES TO THE EU’S WASH PROGRAMME

EU discussions on operationalising the Communication have only just begun so we do not expect to see an immediate impact on the WaSH programmes. However, private sector development is a priority for the Italian EU Presidency which began this month, so we anticipate seeing some progress on this agenda over the next six months. That said, and as noted in my previous correspondence to you (28 April 2014), EU country programmes have prioritised a maximum three sectors for the new seven year programming cycle and we expect a decrease in EU engagement in this sector.

As within all WaSH programmes, there is more scope for the EU to work with domestic private sector in the delivery and maintenance of services. Key to the success of these models is a clearly defined role for the private sector and a regulatory framework which ensures profitable but non-exploitative tariffs with effective performance monitoring.

Working with the private sector in areas where the financial resources of beneficiaries are limited, or in politically fragile contexts is much more difficult. In addition, many small private sector enterprises do not currently have the skills to develop clear business plans, nor properly account for results and expenditure. Having said this, Commissioner Piebalgs stated that the Commission has a desire to “develop new ways of engaging with the private sector … for delivering public goods and infrastructure” in his October 2013 response to your letter on the European Court of Auditors Special Report No 13/2012: European Union Development Assistance for Drinking-Water Support and Basic Sanitation in Sub-Saharan Countries report.

Since our earlier correspondence on WaSH, the Commission has been working to enhance EU Delegations’ knowledge of the importance of WaSH project sustainability and the participation of the private sector to the operation and maintenance of water supply and sanitation systems. A workshop has already been conducted by EuropeAid in the Pacific and in October 2014 a second one will be organised for Central Asian countries.

EuropeAid has also initiated contacts with the European Water Stewardship Programme in order to identify opportunities for cooperation. A session at the last Coordination Group of the EU Water Initiative (EUWI) was dedicated to this issue, and joint meetings took place during the African Water Week in Dakar, May 2014.

In order to try and address the problem of domestic private sector being unable to develop and implement business plans of sufficient quality, Unilever has established a Toilet Board (TB), that brings together international private sector companies, for-profit and not-for-profit sanitation providers, academics and donors to identify innovative market-based solutions to sanitation and bring them to scale. DFID officials have been involved in the establishment of the TB and have shared the documents with counterparts working on WaSH at the European Commission.

DFID officials continue to engage with their counterparts in the Commission and other Member States through the EU Water Experts’ Group and the EUWI.

Thank you for taking the time to write on this important issue.

30 July 2014
ACCESSION OF AFGHANISTAN TO THE WORLD TRADE ORGANISATION
(UNNUMBERED)

Letter from Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills, to the Chairman

I wish to inform the House that on 23 June 2014 the Government opted in to the Council Decision relating to the Accession of Afghanistan to the World Trade Organisation.

The Government has supported the accession of Afghanistan to the WTO on the right terms. In acceding to the WTO, Afghanistan will embrace a series of rules and commitments which form the foundation of an open, transparent and non-discriminatory global trading system and which will provide important guarantees for them and for other WTO Members. Accession to the WTO will bring Afghanistan more firmly into the global economy and help make Afghanistan a more attractive place to do business.

Afghanistan’s accession to the WTO is consistent with the UK’s policy of helping Least Developed Countries to take advantage of the international trading system. It is also in line with the UK’s policy of helping to establish a viable Afghan state, to help Afghanistan develop a more dynamic economy and become more able to meet its economic needs without external support.

The Council Decisions has the effect of extending to the Afghanistan the horizontal commitments the UK makes to all WTO members, including in the provision of services by natural persons from third countries, otherwise known as “Mode 4”. It is the presence of these Mode 4 commitments in the relevant instruments which triggers the UK Justice and Home Affairs opt-in.

14 July 2014

APPLICATION OF SPECIFIC MEASURES TO COMBAT TERRORISM, AND REPEALING DECISION 2014/72/CFSP (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting on 17 July, the EU Sub-Committee on External Affairs considered the above documents which had already been cleared from scrutiny.

We appreciate that the details of the individual in question must remain confidential until the delisting has been formally approved by the Foreign Affairs Council. However, once the Decision and Regulation have been agreed, we would be grateful if you could write to us with the details of the individual concerned and the reasons for delisting them.

We look forward to your response within the usual 10 working days.

17 July 2014

Letter from David Lidington MP to the Chairman

I am writing in response to your letter dated 21 July 2014 in which you request more information regarding the recent Explanatory Memorandum concerning Common Position 2001/931/CFSP on the application of specific measures to combat terrorism.

On 22 July, the Foreign Affairs Council agreed the delisting of Mr Sofiane Fahas from the list of persons, groups and entities involved in terrorist acts to be carried out pursuant to Article 1(6) of Council Common Position 2001/931/CFSP and Article 2(3) of Council Regulation (EC) No 2580/2001. The CP931 listing was based on a domestic Italian decision to commence legal proceedings against Mr Fahas (the “competent authority decision”). During the most recent six month review of CP931 listings, it was proposed that Mr Fahas be removed from the CP931 list of designated persons.

When the Council no longer wishes to retain a listing on the basis of the original competent authority decision, it is normal practice to carry out checks to ensure we do not have additional information that supports continued listing and an interest in maintaining the listing notwithstanding the proposal to delist. These checks were carried out in the present case and no relevant information was found. The UK therefore agreed the delisting.
As set out in the Explanatory Memorandum, listings under this sanctions regime operate in a way which means it is difficult to maintain listings when it is not possible, or not desirable, to rely on the original competent authority decision. The exception is found in cases where either we, or another Member State, have sufficient information to put in place a new competent authority decision (in the UK, this would be either proscription or terrorist asset freezing) as the basis for continued listing in the EU. The availability of sufficient information and a strong UK interest are therefore prerequisites to working to maintain a listing where delisting is proposed on this basis.

4 August 2014


Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to update the Committee on the Government's approach to the Justice and Home Affairs (JHA) opt-in aspects of the signature, provisional application and conclusion of the Association Agreements (AA) with Georgia and Moldova.

The 8-week enhanced scrutiny period ended on 29 May. I thank the Committee for its consideration of these dossiers.

The Government has taken the Committee's view into account when making its decision. I can now confirm that the UK will opt into the provisions of the AA which relate to re-admission and Mode 4 (trade in services) obligations.

When making this decision, the Government took into consideration that the UK already participates in the existing re-admission agreements between the EU and Georgia/Moldova and as such it is appropriate that we now opt-into the new provisions which require the EU on one part, and Georgia/Moldova on the other part, to ensure the full implementation of those agreements.

As regards the Mode 4 provisions, the Government’s position remains that these provisions fall within the scope of the UK’s JHA opt-in. Those provisions are in line with the EU’s Doha round offer to the World Trade Organisation and are subject to rigorous safeguards, including minimum skills levels. We are therefore content to opt-into these provisions.

As mentioned in my letter of 2 May, the Government is content for the provisional application of provisions relating to re-admission in both Agreements. These are Article 15 with respect to Moldova and Article 16 with respect to Georgia.

With respect to these articles, my officials have continuously pushed for the citation of relevant Title V legal bases and the splitting of the Council Decisions into JHA and non-JHA decisions during negotiations in Brussels. I regret to inform the Committee that we did not secure these aims. However, in the absence of the citation of the relevant Title V legal bases, we will register our dissatisfaction through a minute statement. It will make clear that the UK has opted-into the relevant JHA provisions and that we consider the relevant Title V legal bases should have been cited in respect of the provisions related to re-admission.

4 June 2014

Letter from the Chairman to David Lidington MP

At its meeting of 5 June, the EU Sub-Committee on External Affairs considered the above documents and decided to clear them from scrutiny. I am grateful to the FCO officials who attended the meeting to discuss the documents and I know that Members of the Sub-Committee found the briefing useful.

Although we decided to clear the documents from scrutiny, we remain concerned about the Association Agreements and would like to receive updates on the monitoring and assessment structures which will be put in place to ensure that Moldova and Georgia are able to deliver the necessary reforms. In the light of the political reaction which was triggered as a result of the Association Agreement with Ukraine, and the upcoming NATO summit where Georgia may be offered the Membership Action Plan (MAP), we are particularly conscious of the need to be aware of Russia’s possible reaction and to take into account all eventualities. We would therefore be interested to know what steps are being taken to support Moldova and Georgia after the signature of
the Agreements. With regard to Georgia seeking the MAP, we would also like to know what stance the Government plans to take at the NATO summit in September.

We also remain doubtful about how the Deep and Comprehensive Free Trade Agreements and the Association Agreements will be applied to Transnistria, South Ossetia and Abkhazia, and would welcome regular updates on how the EU’s relationship with those regions develops under the Association Agreements.

You note from your letter of 4 June that the Government has not been able to secure the citation of relevant Title V legal bases for some of the articles and that the Government will make it clear that the UK has opted-into the relevant JHA provisions. As you know, we do not consider that the opt-in Protocol is triggered when a proposal does not specifically cite a Title V legal base, even if the Government thinks it contains justice and home affairs (JHA) matters. However, this is a longstanding disagreement and in this instance we think little purpose would be served in holding up the clearance of these agreements on this basis. We note also that your most recent letter on this matter (of 29 May), regarding the JHA opt-in Protocol in relation to Kosovo agreements, is due to be considered by the Sub-Committee on Home Affairs, Health and Education at its meeting on 18 June. It is likely that the Government’s opt-in policy on these similar agreements will form part of that Sub-Committee’s consideration.

We look forward to receiving the updates requested above in due course.

12 June 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 12 June concerning Georgia and Moldova. I am very grateful for your Committee’s continued engagement in this issue, both in terms of the two Association Agreements and the wider geopolitical situation.

I was very pleased to secure your Committee’s support for signature of these two Association Agreements. The Council Decisions on signature and provisional application were adopted at the AgriFish Council on 16 June, and signature of both Agreements should go ahead at the European Council on 27 June.

In your letter, you said your Committee would like to receive updates on the monitoring and assessment structures. This monitoring process will be founded on Association Agendas concerning each country, replacing (and being analogous to) the respective ENP Action Plans. The two Association Agenda for the next three years have now been agreed and were adopted at the 23 June Foreign Affairs Council. Although these documents are not subject to Parliamentary scrutiny, I attach [not printed] them to this letter for your Committee's information. Please note these documents have not yet been made available to the general public.

The EEAS will produce annual monitoring reports for each country, including regarding the protracted conflicts. The Government will continue to share these documents with your Committee. I am of course at your service if and when you require additional ad hoc updates from the Government.

The EU is taking a number of steps to support Georgia and Moldova following signature of the Agreements. The most obvious is through the European Neighbourhood Instrument, which is the EU’s financing instrument for the neighbourhood. On current Commission planning, the indicative allocation foreseen for Moldova and Georgia for 2014 to 2020 is between €610m to €746m each. This is a significant increase on the previous period.

On 6 May 2014, the European Commission announced an additional support package for both Georgia and Moldova, worth €30 million each. This immediate support will help each country to seize the benefits and opportunities of the Association Agreements. Allied with the existing package of technical assistance, I am confident that the EU is doing as much as feasible to support these two important partners.

I understand your concerns about South Ossetia, Abkhazia and Transnistria and the application of the Association Agreements. Both Association Agreements apply to the entire territories of both Georgia and Moldova. However, application in relation to Transnistria, South Ossetia and Abkhazia will only commence once the Georgian and Moldovan governments ensure the full implementation and enforcement of the Agreements in their entire territory. As I outlined above, the annual reporting by the EEAS will cover this issue, and the Government stands ready to provide its own analysis as required.
The agenda for the NATO Summit in Wales, including enlargement issues, was most recently discussed at the NATO Foreign Ministers meeting on 24 June. As the NATO Secretary General said after that meeting, the Alliance will develop a substantial package for Georgia that will help it come closer to NATO, recognising Georgia’s progress and their valued contribution in Afghanistan. We will base decisions about membership on the ability of candidate countries to advance NATO’s core values of peace and stability in the Euro-Atlantic area.

I would also like to take this opportunity to draw to your attention to a change on the EU’s restrictive measures concerning Transnistria. In the past, Parliamentary scrutiny of the annual review of these sanctions has been difficult because of the imperative to agree a Decision in advance of expiry of the sanctions (30 September), while Working Group discussions only started in early September due to the summer break in Brussels.

At the most-recent informal review, the UK pressed the institutions and other Member States to extend the expiry date of the sanctions, from 30 September, to 31 October. This has now been agreed and formally adopted at the Foreign Affairs Council on 23 June. I was very grateful that you agreed to waive scrutiny for this small technical change. We hope this change will mean your Committee will have the proper time to perform scrutiny of the EU’s restrictive measures concerning Transnistria in future.

26 June 2014


Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to update the Committee on the Government’s approach to the Justice and Home Affairs (JHA) opt-in aspects of the signature, provisional application and conclusion of the Association Agreements (AA) with Georgia and Moldova.

The 8-week enhanced scrutiny period ended on 29 May. I thank the Committee for its consideration of these dossiers.

The Government has taken the Committee’s view into account when making its decision. I can now confirm that the UK will opt into the provisions of the AA which relate to re-admission and Mode 4 (trade in services) obligations.

When making this decision, the Government took into consideration that the UK already participates in the existing re-admission agreements between the EU and Georgia/Moldova and as such it is appropriate that we now opt-into the new provisions which require the EU on one part, and Georgia/Moldova on the other part, to ensure the full implementation of those agreements.

As regards the Mode 4 provisions, the Government’s position remains that these provisions fall within the scope of the UK’s JHA opt-in. Those provisions are in line with the EU’s Doha round offer to the World Trade Organisation and are subject to rigorous safeguards, including minimum skills levels. We are therefore content to opt-into these provisions.

As mentioned in my letter of 2 May, the Government is content for the provisional application of provisions relating to re-admission in both Agreements. These are Article 15 with respect to Moldova and Article 16 with respect to Georgia.

With respect to these articles, my officials have continuously pushed for the citation of relevant Title V legal bases and the splitting of the Council Decisions into JHA and non-JHA decisions during negotiations in Brussels. I regret to inform the Committee that we did not secure these aims. However, in the absence of the citation of the relevant Title V legal bases, we will register our dissatisfaction through a minute statement. It will make clear that the UK has opted-into the relevant JHA provisions and that we consider the relevant Title V legal bases should have been cited in respect of the provisions related to re-admission.

4 June 2014
Letter from the Chairman to David Lidington MP

At its meeting of 5 June, the EU Sub-Committee on External Affairs considered the above documents and decided to clear them from scrutiny. I am grateful to the FCO officials who attended the meeting to discuss the documents and I know that Members of the Sub-Committee found the briefing useful.

Although we decided to clear the documents from scrutiny, we remain concerned about the Association Agreements and would like to receive updates on the monitoring and assessment structures which will be put in place to ensure that Moldova and Georgia are able to deliver the necessary reforms. In the light of the political reaction which was triggered as a result of the Association Agreement with Ukraine, and the upcoming NATO summit where Georgia may be offered the Membership Action Plan (MAP), we are particularly conscious of the need to be aware of Russia’s possible reaction and to take into account all eventualities. We would therefore be interested to know what steps are being taken to support Moldova and Georgia after the signature of the Agreements. With regard to Georgia seeking the MAP, we would also like to know what stance the Government plans to take at the NATO summit in September.

We also remain doubtful about how the Deep and Comprehensive Free Trade Agreements and the Association Agreements will be applied to Transnistria, South Ossetia and Abkhazia, and would welcome regular updates on how the EU’s relationship with those regions develops under the Association Agreements.

You note from your letter of 4 June that the Government has not been able to secure the citation of relevant Title V legal bases for some of the articles and that the Government will make it clear that the UK has opted-into the relevant JHA provisions. As you know, we do not consider that the opt-in Protocol is triggered when a proposal does not specifically cite a Title V legal base, even if the Government thinks it contains justice and home affairs (JHA) matters. However, this is a long-standing disagreement and in this instance we think little purpose would be served in holding up the clearance of these agreements on this basis. We note also that your most recent letter on this matter (of 29 May), regarding the JHA opt-in Protocol in relation to Kosovo agreements, is due to be considered by the Sub-Committee on Home Affairs, Health and Education at its meeting on 18 June. It is likely that the Government’s opt-in policy on these similar agreements will form part of that Sub-Committee’s consideration.

We look forward to receiving the updates requested above in due course.

12 June 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 12 June concerning Georgia and Moldova. I am very grateful for your Committee’s continued engagement in this issue, both in terms of the two Association Agreements and the wider geopolitical situation.

I was very pleased to secure your Committee’s support for signature of these two Association Agreements. The Council Decisions on signature and provisional application were adopted at the AgriFish Council on 16 June, and signature of both Agreements should go ahead at the European Council on 27 June.

In your letter, you said your Committee would like to receive updates on the monitoring and assessment structures. This monitoring process will be founded on Association Agendas concerning each country, replacing (and being analogous to) the respective ENP Action Plans. The two Association Agenda for the next three years have now been agreed and were adopted at the 23 June Foreign Affairs Council. Although these documents are not subject to Parliamentary scrutiny, I attach [not printed] them to this letter for your Committee’s information. Please note these documents have not yet been made available to the general public.

The EEAS will produce annual monitoring reports for each country, including regarding the protracted conflicts. The Government will continue to share these documents with your Committee. I am of course at your service if and when you require additional ad hoc updates from the Government.

The EU is taking a number of steps to support Georgia and Moldova following signature of the Agreements. The most obvious is through the European Neighbourhood Instrument, which is the EU’s financing instrument for the neighbourhood. On current Commission planning, the indicative allocation foreseen for Moldova and Georgia for 2014 to 2020 is between €610m to €746m each. This is a significant increase on the previous period.

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On 6 May 2014, the European Commission announced an additional support package for both Georgia and Moldova, worth €30 million each. This immediate support will help each country to seize the benefits and opportunities of the Association Agreements. Allied with the existing package of technical assistance, I am confident that the EU is doing as much as feasible to support these two important partners.

I understand your concerns about South Ossetia, Abkhazia and Transnistria and the application of the Association Agreements. Both Association Agreements apply to the entire territories of both Georgia and Moldova. However, application in relation to Transnistria, South Ossetia and Abkhazia will only commence once the Georgian and Moldovan governments ensure the full implementation and enforcement of the Agreements in their entire territory. As I outlined above, the annual reporting by the EEAS will cover this issue, and the Government stands ready to provide its own analysis as required.

The agenda for the NATO Summit in Wales, including enlargement issues, was most recently discussed at the NATO Foreign Ministers meeting on 24 June. As the NATO Secretary General said after that meeting, the Alliance will develop a substantial package for Georgia that will help it come closer to NATO, recognising Georgia's progress and their valued contribution in Afghanistan. We will base decisions about membership on the ability of candidate countries to advance NATO's core values of peace and stability in the Euro-Atlantic area.

I would also like to take this opportunity to draw to your attention to a change on the EU's restrictive measures concerning Transnistria. In the past, Parliamentary scrutiny of the annual review of these sanctions has been difficult because of the imperative to agree a Decision in advance of expiry of the sanctions (30 September), while Working Group discussions only started in early September due to the summer break in Brussels.

At the most-recent informal review, the UK pressed the institutions and other Member States to extend the expiry date of the sanctions, from 30 September, to 31 October. This has now been agreed and formally adopted at the Foreign Affairs Council on 23 June. I was very grateful that you agreed to waive scrutiny for this small technical change. We hope this change will mean your Committee will have the proper time to perform scrutiny of the EU’s restrictive measures concerning Transnistria in future.

26 June 2014


Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting of 16 October, the EU Sub-Committee on External Affairs considered the above document and the reasons given in your letter for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

16 October 2014

CITATION OF ARTICLE 28 TEU IN COUNCIL DECISIONS RELATING TO EU SPECIAL REPRESENTATIVES (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to clarify the UK Government’s position on the citation of Article 28 of the Treaty on European Union (TEU) in Council Decisions relating to EU Special Representatives (EUSR). This letter follows my Explanatory Memorandum (EM) of 2 June 2014, on the renewal of the budget of the EUSR in Bosnia & Herzegovina (BiH), where I highlighted that the draft Council Decision did not cite Article 28 TEU.
Article 28 TEU provides for the Council to adopt CFSP decisions where the international situation requires operational action by the Union. A Council Decision under Article 28 TEU lays down, inter alia, the objectives and scope of that action. Previous Council Decisions on this topic have cited Article 28.

The UK Representation to the EU raised the fact that Article 28 TEU had not been cited during discussions on the draft Council Decision pertaining to EUSR BiH. The EEAS position is that it is not necessary to cite Article 28 TEU in documents relating to EUSRs which do not contain any new operational activity. They stated that the Lisbon Treaty indicates that Article 33 TEU is the legal basis for the High Representative to propose an EUSR. This is also covered by Article 31(2) TEU.

UK officials carefully considered the proposal to make sure it did not expose the UK to any risk on competence creep. Given that, following completion of discussion in the working group on the draft, this only makes amendments to the EUSR budget and not to the EU’s operational activity, I am satisfied that the UK position is not compromised. We can therefore accept Article 33 and Article 31(2) TEU as the appropriate substantive and procedural legal bases for an EUSR appointment with a Mandate that does not provide for new operational action by the EU or establish any new Union positions within the CFSP. We would however continue to expect any new EU operational action or new Union positions within the CFSP to be dealt with in a separate Council Decision with a legal base of Article 26 or 28 TEU as appropriate, alongside Article 31(1) TEU. Given that this specific Decision simply sets the budget for an existing EUSR within an existing mandate, we do not consider that there is any need to cite Article 28 TEU. Therefore, we will not be seeking to insert Article 28 TEU into the final Council Decision.

26 June 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter of 26 June on the above matter, which the EU Sub-Committee on External Affairs considered at its meeting of 10 July.

We welcome the Government’s concern that the correct legal bases are cited for CFSP proposals, and agree that on this occasion the citation of Article 28 TEU is not necessary.

There is no need to reply to this letter unless, of course, you wish to do so.

10 July 2014

COMMON SECURITY AND DEFENCE POLICY (CSDP) MISSION IN THE PALESTINIAN TERRITORIES: EUBAM RAFAH (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to the Committee further to my Explanatory Memorandums of 9 June 2014 and 23 June 2014 on the Council Decisions to extend the mandates of the European Union Border Assistance Mission for the Rafah Crossing Point (EUBAM Rafah) and the European Union Police Mission for the Palestinian Territories (EUPOL COPPS) for one year until 30 June 2015.

The Committee has cleared the mandate extensions to both EUPOL COPPS and EUBAM Rafah. At the time of submitting the Explanatory Memorandum on EUBAM Rafah on 9 June, the EUBAM Rafah interim Strategic Review, which was due to be published in May 2014, had been delayed. It had still not been published at the time of submitting the EUPOL COPPS Explanatory Memorandum on 23 June. I promised to write to the Committee again with my views on the interim Strategic Review and on the implications for the Mission’s future once it had been published. The Committee requested that at the same time I also provide information about the EU’s comprehensive approach to Gaza, including whether it was in the form of a depositable document.

I am pleased to inform the Committee that, after continued lobbying by UK officials, the EUBAM Rafah interim Strategic Review has now been published. The interim Strategic Review assesses that developments on the ground, namely the uncertainty over a resumption in the peace talks, the impact of Egypt’s sustained pressure on the situation of Hamas in Gaza, and the potential impact of intra-Palestinian reconciliation on the future of EUBAM Rafah mean that the situation continues to be too fluid and transitory to warrant a major review of the mission or a change of direction at this stage. Furthermore, the Review identifies other issues having a direct impact on the future of EUBAM Rafah.
that remain uncertain and would need to be carefully assessed. These are the future of the Rafah crossing, whether agreement can be reached for Palestinian Authority (PA) officials to resume a presence there, and the position of all parties including Egypt. The Review recommends that these issues are evaluated fully in the full Strategic Review, due in February 2015.

The document then proceeds to review EUBAM Rafah’s performance against its mandate. It states that “the main operational responsibility for EUBAM Rafah is to preserve its capacity for rapid redeployment to the Rafah Crossing. As agreed by EU Member States, the focus of the mission’s preparedness-related activities will be to further work with PA counterparts on developing their capacity to deploy and function at the border should they return to the Rafah crossing – the “PA preparedness project” – which has been recognised as a fundamental aspect of the overall capacity for speedily reactivating the crossing point.” The “PA preparedness project” is expected to run its course in the next mandate period. The review then goes on to state “The successful completion of the “PA preparedness project” should mark a significant moment with regard to the availability of further operational space for EUBAM Rafah if not deployed at the border crossing point. If political developments do not unlock any operational likelihood of redeployment then closure must be considered likely.”

The interim Strategic Review then looks at ways ahead. It highlights several potential options for the future of EUBAM Rafah. It says that the full Strategic Review in February 2015 should consider all of them, with a focus in particular on modalities for closure in summer 2015. The potential options are as follows:

— Reactivate the mission
— Close the mission
— Maintain the status quo
— Merge the mission with EUPOL COPPS
— Reduce the mission to a symbolic presence.

I welcome the interim Strategic Review. I agree with the assessment that options for the mission’s future should be considered and note the uncertainties with next steps in the Middle East Peace Process, the terms of the implementation of the Palestinian reconciliation deal and the impact of these on the mission’s future. That is why I was content to agree to a one-year mandate extension until 30 June 2015. The recent escalation in violence between Gaza and Israel since the publication of the Interim Strategic Review only serves to increase the uncertainty about the political situation and the impact on EUBAM Rafah’s role.

However, I remain concerned about the value of an inactive mission and I know that these concerns are shared by the Committee. Therefore, I am pleased to see that the interim Strategic Review includes clear options for detailed consideration in the February 2015 full Strategic Review, including closure if conditions do not allow for the reactivation of the mission by the end of June 2015. I will instruct officials to ensure that the EEAS keeps its commitment to look at all options in the full Strategic Review so that we are able to make a fully informed decision about the mission’s future beyond 30 June 2015.

With regards to the EU’s approach to Gaza, this is not in the form of a depositable document. The EU’s approach consists of a number of different strands, including short term (measures to alleviate the humanitarian situation of the Gazan population), medium term (actions to promote economic development) and long term (working to ensure a resolution to the Israeli-Palestinian conflict, which is ultimately what is needed to address Gaza’s economic and humanitarian situation as well as Israel’s legitimate security concerns). This reflects the EU’s view that the crisis in Gaza is first and foremost of a political nature.

The EU believes that Gaza is an integral part of the Occupied Palestinian Territories and an essential part of the future state of Palestine. The EU has consistently underlined the unsustainability of the situation in the Gaza Strip and called for the immediate, sustained and unconditional opening of all crossings for the flow of humanitarian aid, commercial goods and persons to and from the Gaza Strip. The EU has also consistently condemned rockets attacks, called for the issue of illegal weapons transfer into Gaza to be addressed and for all parts of the November 2012 ceasefire agreement to be implemented.

In terms of the humanitarian situation (short-term), the EU believes that efforts are needed by Israel as the occupying power, by Hamas as the former de-facto authorities of Gaza, and by Egypt to address it. The international community also has an important role. In this regard the EU provides a range of humanitarian assistance. The EU’s annual contribution to the general budget of UNRWA
ensures the delivery of essential education, health and social relief services to Palestinian refugees. EU humanitarian assistance is also provided by the European Union Humanitarian and Civil Protection Office (ECHO) and channelled through UN specialised Agencies, the ICRC and international NGOs. The EU also provides substantial assistance in the area of water and sanitation.

On economic development (medium-term), EU assistance is focussed on development of the private sector in Gaza, on technical and vocational training and development of the agricultural sector. The EU is supporting a job creation programme through UNRWA and the expansion of the Kerem Shalom Crossing Point. The EU also supports the activities of a range of civil society organisations in Gaza.

On working to ensure a resolution to the Israeli-Palestinian conflict (long-term), the EU supports US-led peace efforts and encourages both parties to take steps towards peace. The EU has offered an unprecedented package of security, political and economic support to both parties in the event of a final status agreement, in order to demonstrate that a resolution to the conflict will bring benefits to Israel and the future state of Palestine.

The Committee will be aware of the recent cycle of violence between Gaza and Israel. Following weeks of rising tensions, including the kidnapping of 3 Israeli teenagers in the West Bank on 12 June, Israel's search for the teenagers and accompanying security operation in the West Bank, the murder of a Palestinian teenager in occupied East Jerusalem on 2 July and a barrage of rocket fire from Gaza into Israel, Israel launched Operation Protective Edge on 7 July. On 17 July, Israeli forces began a ground invasion in order to destroy tunnels and Hamas's ability to launch rockets.

The UK Government and the EU are deeply concerned at the high numbers of civilian casualties and the humanitarian impact of the conflict. Our shared urgent priority is bringing the violence to an end, to ease the suffering of ordinary people inside Gaza and to make Israelis secure. The EU Foreign Affairs Council issued Conclusions on 16 July which: condemned the firing of rockets from Gaza into Israel and the indiscriminate targeting of civilians; reiterated Israel's right to protect its population from these kind of attacks; said that in doing so, Israel must act proportionately and ensure the protection of civilians at all times; deplored the loss of innocent lives and the high number of wounded civilians in the Gaza Strip as a result of Israeli military operations; expressed deep concern about the rapid and dramatic deterioration of the humanitarian situation; welcomed ongoing efforts by regional partners, in particular the ceasefire initiative launched by Egypt and stated that the EU stood ready to provide support to this end.

We need a durable end to the current cycle of violence and a long term strategy to address the underlying causes of the conflict and transform the situation in Gaza. There is no alternative that can deliver peace and security for both Israelis and Palestinians. This will need to include: a strong role for the Palestinian Authority and the restoration of Palestinian Authority control in Gaza; the opening up of legitimate movement and access into and out of Gaza (which EUBAM Rafah could potentially play a valuable role in); a long term strategy for economic growth; and a permanent end to the unacceptable threat of rocket attacks and other forms of violence from Gaza against Israel. The EU could play an important role in all of these areas. The UK will work closely with the EU over the coming weeks to support a sustainable ceasefire that addresses the underlying causes of the conflict.

4 August 2014

CONSEQUENCES OF RUSSIA’S ILLEGAL ANNEXATION OF CRIMEA – EU RESPONSE (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to update the Committee on the EU’s response to Russia’s illegal annexation of Crimea and Sevastopol.

Crimea was illegally annexed by the Russian Federation following an illegal referendum on 16 March and a subsequent decree by the Russian President. The UK has repeatedly condemned this illegal annexation, a position reasserted by the European Council Heads of State on 27 May, who said: ‘We stand firm in upholding Ukraine's sovereignty and territorial integrity and we strongly condemn the illegal annexation of Crimea and Sevastopol to the Russian Federation and will not recognise it.’
In response, the March European Council asked the Commission to evaluate the legal consequences of the annexation of Crimea and to propose economic, trade and financial restrictions regarding Crimea for rapid implementation.

Led by the Cabinet Office, the UK Government has been closely engaged in this process and the 12 May Foreign Affairs Council agreed the Commission’s initial proposals, calling for swift implementation.

Proposals that are currently being taken forward include: a ban on the import of products of clear Crimean origin; suspension of assistance programmes in Crimea (except those in support of civil society and people to people contacts); an omnibus bilateral declaration stating that consultations will be undertaken with Ukraine to clarify the effects of recent events on the practical application of relevant agreements; a reminder to the Russian Federation that the territorial scope of all agreements signed by the EU remains the internationally recognised territory of the Russian Federation (which does not include Crimea and Sevastopol); and guidance on contacts with Crimea’s formal institutions and de facto authorities.

The proposals are being handled in different ways and on individual timelines. In some cases, the decision-making process involves consultations with Member States. However, where proposals are subject to scrutiny, such as the Council Decision concerning the import ban for goods of Crimean origin, I, and other Ministers, will ensure the relevant documents are deposited in the normal manner.

A strong EU response to Russia’s illegal annexation will not only send a strong signal to Russia and the region, it will also provide a basis on which the UK and EU can engage more widely. The 12 May FAC called on ‘UN member states to consider similar measures in line with UN General Assembly Resolution 68/262’. Resolution 68/262, adopted on March 27 2014, recognised the territorial integrity of Ukraine.

13 June 2014

COUNCIL DECISION 2014/265/CFSP OF 12 MAY 2014 AMENDING DECISION 2014/145/CFSP CONCERNING RESTRICTIVE MEASURES IN RESPECT OF ACTION UNDERMINING OR THREATENING THE TERRITORIAL INTEGRITY, SOVEREIGNTY AND INDEPENDENCE OF UKRAINE (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

The documents listed above were cleared at the Chairman’s sift on 3 June 2014. At its meeting of 12 June, the EU Sub-Committee on External Affairs considered the documents and the reasons given in the Explanatory Memoranda for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

There is no need to reply to this letter unless, of course, you wish to do so.

12 June 2014

COUNCIL DECISION 2014/265/CFSP OF 12 MAY 2014 AMENDING DECISION 2014/145/CFSP CONCERNING RESTRICTIVE MEASURES IN RESPECT OF ACTION UNDERMINING OR THREATENING THE TERRITORIAL INTEGRITY, SOVEREIGNTY AND INDEPENDENCE OF UKRAINE (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting of 16 October, the EU Sub-Committee on External Affairs considered the documents and the reasons given for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

16 October 2014
Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing with regard to the Council Decision and Council Regulation concerning restrictive measures in view of the situation in Ukraine. These documents amend the listings of 17 individuals and 2 entities, adding additional identifying information. The individuals and entities have been listed at various times since the beginning of the Ukraine crisis: five listings from 17 March 2014, four listings from 21 March 2014, four listings from 29 April 2014 and six listings from 12 May 2014 have been amended.

In all cases the detail of the listings was expanded after additional information was brought to the attention of the EU Council. Any Member State or the EEAS can recommend adding or deleting information in order to make the listings more accurate.

Clearly for sanctions to be as effective as possible, it is important that the identifying information provided for each listing is as detailed as possible, to ensure the correct individual is targeted by the sanctions.

An annex [not printed] to this letter contains a comparison table, with the additional information added to each listing included in red.

9 June 2014

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing with regard to the Council Decision and Council Regulation concerning restrictive measures in view of the situation in Ukraine. These documents add 11 people to the EU Ukraine sanctions regime which lists people responsible for or supporting actions “undermining Ukraine’s territorial integrity, sovereignty and independence”. The new Decision and Implementing Regulation (attached [not printed]) add 11 named individuals to the EU’s travel ban and asset freeze and entered into force on 12 July.

The Council expanded the list of targets “in view of the gravity of the situation in Eastern Ukraine.” This brings the number of individuals subject to sanctions in connection with Ukraine’s territorial integrity to 72. There remain two confiscated entities in Crimea and Sevastopol subject to the asset freeze under these sanctions.

The 11 people are:-

— Aleksandr Yurevich BORODAI - So called ‘Prime Minister of People’s Republic of Donetsk’. Responsible for the separatist ‘governmental’ activities of the so called ‘government of the Donetsk People’s Republic’ (e.g. on 8 July stated ‘our military is conducting a special operation against the Ukrainian “fascists”’), Signatory of the Memorandum of Understanding on ‘Novorossiya union’.

— Alexander KHODAKOVSKY - So called ‘Minister of Security of People’s Republic of Donetsk’. Responsible for the separatist security activities of the so called ‘government of the Donetsk People’s Republic’.

— Alexandr Aleksandrovich KALYUSSKY - So called ‘de facto Deputy Prime Minister for Social Affairs of DPR’. Responsible for the separatist ‘governmental’ activities of the so called ‘government of the Donetsk People’s Republic’.
Alexander KHRYAKOV - So called ‘Information and Mass Communications Minister of DPR’. Responsible for the pro-separatist propaganda activities of the so called ‘government of the Donetsk People’s Republic’.

Marat BASHIROV - So called ‘Prime Minister of the Council of Ministers of the People’s Republic of Luhansk, confirmed on 8 Jul’. Responsible for the separatist ‘governmental’ activities of the so called ‘government of the People’s Republic of Luhansk’.

Vasyl NIKITIN - So called ‘Vice Prime Minister of the Council of Ministers of the People’s Republic of Luhansk’, (used to be the so called ‘Prime Minister of the People’s Republic of Luhansk’, and former spokesman of the ‘Army of the Southeast’). Responsible for the separatist ‘governmental’ activities of the so called ‘government of the People’s Republic of Luhansk’ Responsible for the statement of the Army of the Southeast that the Ukrainian presidential elections in the ‘People’s Republic of Luhansk’ cannot take place due to the ‘new’ status of the region.

Aleksey KARYAKIN - So called ‘Supreme Council Chair of the People’s Republic of Luhansk’. Responsible for the separatist ‘governmental’ activities of the ‘Supreme Council’, responsible for asking the Russian Federation to recognize the independence of ‘People’s Republic of Luhansk’ Signatory of the Memorandum of Understanding on the ‘Novorossiya union’.

Yurij IVAKIN - So called ‘Minister of Internal Affairs of the People’s Republic of Luhansk’. Responsible for the separatist ‘governmental’ activities of the so called ‘government of the People’s Republic of Luhansk’.

Igor PLOTNITSKY - So called ‘Defence Minister of the People’s Republic of Luhansk’. Responsible for the separatist ‘governmental’ activities of the so called ‘government of the People’s Republic of Luhansk’.

Nikolay KOZITSYN - Commander of Cossack forces. Responsible for commanding separatists in Eastern Ukraine fighting against the Ukrainian government forces.

Oleksiy MOZGOVY - One of the leaders of armed groups in Eastern Ukraine. Responsible for training separatists to fight against the Ukrainian government forces.

Each person has two months in which to challenge his listing in the European Court, and may apply to the Council of the EU for exceptions to the asset freeze (licences) and for reconsideration of the decision to include them.

I regret that due to the fast-moving pace of events on the ground in Ukraine and the need to agree further sanctions at short notice, I find myself in the position of having to agree to the adoption of these Council Decisions and Regulations before your Committee has had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning Ukraine sanctions is something I take seriously and the need for the override of scrutiny on this occasion is regrettably unavoidable.

18 July 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the Council Decision and Council Regulation concerning restrictive measures in view of the situation in Ukraine. These documents expand the listing criteria under which individuals and entities can be listed under Ukraine restrictive measures and entered into force on 19 July 2014.

The listing criteria have been expanded in line with European Council Conclusions, which instructed the EU to “expand the restrictive measures, with a view to targeting entities, including from the Russian Federation, that are materially or financially supporting actions undermining or threatening Ukraine’s sovereignty, territorial integrity and independence.” Previously the measures only provided for the listing of individuals under this part of the criteria. In addition to expanding the listing criteria, the criteria was restructured and split into sub-criteria for greater ease of reading and interpretation.
I regret that due to the fast-moving pace of events on the ground in Ukraine and the need to agree further sanctions at short notice, I find myself in the position of having to agree to the adoption of this Council Decision and Regulation before your Committee has had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning Ukraine sanctions is something I take seriously and the need for the override of scrutiny on this occasion is regrettable unavoidable.

I wish to make you aware of additional EU designations expected in the near future. At the time of writing, no additional designations under these criteria have been agreed. However, the Foreign Affairs Council reconvened on 22 July 2014 and therefore it is anticipated that further additions to Ukraine restrictive measures will be agreed over the coming weeks and months which will be unable to be released to your Committee until after adoption. My officials will ensure that you have a copy of the amended list once it is made public.

28 July 2014

Letter from the Chairman to David Lidington MP

At its meeting of 9 September, the EU Sub-Committee on External Affairs considered the above documents and the reasons given in your Explanatory Memoranda and letters for the overrides of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed in all of the above cases without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

There is no need to reply to this letter unless, of course, you wish to do so.

9 September 2014

COUNCIL DECISION 2014/512/CFSP OF 31 JULY 2014 CONCERNING RESTRICTIVE MEASURES IN VIEW OF RUSSIA’S ACTIONS DESTABILISING THE SITUATION IN UKRAINE (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing with regard to the abovementioned Council Regulations, Implementing Regulation and Decisions concerning restrictive measures in view of the situation in Ukraine.

TIER TWO SANCTIONS

In view of the gravity of the situation in the Ukraine, the Council adopted Council Decision 2014/658/CFSP, Council Regulation 959/2014 and Council Implementing Regulation (EU) 961/2014 on 8 September 2014, expanding the listing criteria of the EU Ukraine sanctions regime, subjecting an additional 24 individuals to ‘Tier 2’ asset freeze and travel ban measures, and extending the effect of these measures for a further 6 months until 15 March 2015. These measures were published and took effect on 12 September 2014, following a period of consideration by EU Member States regarding the progress of a ceasefire agreement in Eastern Ukraine.

Following the expansion of the listing criteria on 8 September 2014 (to include category five below), the regime now targets persons in the following categories:

1) Those responsible for, actively supporting or implementing, actions or policies which undermine or threaten the territorial integrity, sovereignty and independence of Ukraine, or stability or security in Ukraine, or which obstruct the work of international organisations in Ukraine, and natural or legal persons, entities or bodies associated with them;

2) Legal persons, entities or bodies supporting, materially or financially, actions which undermine or threaten the territorial integrity, sovereignty and independence of Ukraine;
3) Legal persons, entities or bodies supporting, materially or financially, actions which undermine or threaten the territorial integrity, sovereignty and independence of Ukraine;

4) Natural or legal persons, entities or bodies actively supporting, materially or financially, or benefiting from, Russian decision-makers responsible for the annexation of Crimea or the destabilisation of Eastern Ukraine.

5) Natural persons conducting transactions with the separatist groups in the Donbass region of Ukraine.

Criterion five was added following the specific tasking of the Conclusions of the European Council of 30 August, for “the Commission to include in its proposal a provision on the basis of which every person and institution dealing with the separatist groups in the Donbass will be listed”.

THE 24 INDIVIDUALS LISTED ON 8 SEPTEMBER ARE AS FOLLOWS:

1. Alexander ZAKHARCHENKO: “Prime Minister” of the so-called “Donetsk People’s Republic”.

2. Vladimir KONONOV, aka “Tsar”: the new “Defence Minister” of the so-called “Donetsk People’s Republic”.


4. Gennadiy Nikolaiovych TSYPKALOV: “Prime Minister” of the so-called “Lugansk People’s Republic”.

5. Andrey Yurevich PINCHUK: “State Security Minister” of the so-called “Donetsk People’s Republic”.

6. Oleg BEREZA: “Internal Affairs Minister” of the so-called “Donetsk People’s Republic”.

7. Andrei Nikolaevich RODKIN: Moscow Representative of the so-called “Donetsk People’s Republic”.


9. Georgiy L’vovich MURADOV, Deputy Prime Minister of Crimea and Plenipotentiary Representative of Crimea to President Putin.

10. Mikhail Sergeyevich SHEREMET, aka Mikhail Sergeevich SHEREMET: First Deputy Prime Minister of Crimea


12. Vladimir Volfovich ZHIRINOVSKY: Member of the Council of the State Duma.

13. Vladimir Abdualievich VASILYEV (aka Vladimir Abdualiyevich VASILIEV, Vladimir Abdualievich VASILIYEV, Vladimir Abdualievich VASILEV): Deputy Speaker, State Duma.

14. Viktor Petrovich VODOLATSKY: Chairman of the Union of the Russian Foreign Cossack Forces.

15. Leonid Ivanovich KALASHNIKOV: First Deputy Chairman of the Committee on Foreign Affairs, State Duma
16. Vladimir Stepanovich NIKITIN: First Deputy Chairman of the Committee on Relations with CIS Countries, Eurasian Integration and Links with Compatriots, State Duma

17. Oleg Vladimirovich LEBEDEV: First Deputy Chairman of the Committee on Relations with CIS Countries, Eurasian Integration and Links with Compatriots, State Duma

18. Ivan Ivanovich MELNIKOV (aka Ivan Ivanovych MELNIKOV): First Deputy Speaker, State Duma

19. Igor Vladimirovich LEBEDEV (aka Igor Vladimirovych LEBEDEV): Deputy Speaker, State Duma

20. Nikolai Vladimirovich LEVICHEV (aka Nikolay Vladimirovich LEVICHEV, Nikolai Vladimirovych LEVICHEV): Deputy Speaker, State Duma

21. Svetlana Sergeevna ZHUROVA (aka Svetlana Sergeyevna ZHUROVA): First Deputy Chairman of the Committee on Foreign Affairs, State Duma

22. Aleksey Vasilevich NAUMETS: Major-general of the Russian Army.

23. Sergey Viktorovich CHEMEZOV (aka Sergei Viktorovich CHEMEZOV): Chairman of Rostec


Each person or entity has two months in which to challenge their listing in the European Court, and may apply to the Council of the EU for exceptions to the asset freeze (licences) and for reconsideration of the decision to include them.

TIER THREE SANCTIONS

In addition to the expansion of tier two sanctions set out above, on 8 September an expansion of the previous package of economic sanctions measures against Russia was formally adopted (‘tier three’ measures). The relevant instruments are Council Decision 2014/659/CFSP and Council Regulation (EU) No.960/2014 of 8 September 2014. The sanctions came into effect on 12 September 2014 and, in line with the first round of tier three measures, will remain in place until 31 July 2015. There will be an initial review of such measures no later than 31 October 2014.

With effect from 1 August 2014, the EU had already agreed a measure to prevent five state owned Russian Banks and their subsidiaries from accessing EU primary and secondary capital markets.

In practice this means these banks will be unable to purchase, sell, or receive brokering for new transferable securities such as bonds and shares and money-market instruments such as treasury bills.

In addition to previous tier three measures, the recent Regulation provides for further restrictions on access to the EU’s capital markets for Russia’s largest state-owned banks:

— The five targeted banks are now preventing from accessing all types of loans, another way to limit their access to financing. The only exception to this measure concerns trade financing.

— The EU has also limited the banks’ access to short-term financing by only permitting financing with a maturity of 30-days or less (down from the previous 90-day limit).

— The package also extends these measure to other sectors; specifically three major entities in the oil sector, and three in the defence sector. These entities now also have major restrictions on access to the EU’s capital markets:

Oil:

— ROSNEFT;
Furthermore, previous tier three measures (1 August 2014) preventing the export, or financing of supply, of dual-use goods for military use or to military end users in Russia have now been extended to a list of non-military entities in Russia, with an exception for aeronautical products.

Similarly, previous restrictions on the export of sensitive technologies in the deep water, shale and Arctic oil sectors have been tightened. From 12 September 2014, it shall be prohibited to provide services associated with these activities (drilling, well testing, logging and completion services, or the supply of specialised floating vessels). This measure applies only to new provision of such services; existing agreements are not covered.

These measures will further ensure that the EU plays no inadvertent role in facilitating the supply of goods which could contribute to Russia’s efforts to support separatists in the Ukraine.

The areas of the embargo targeting provision of services to shale gas projects and oil exploration & production will ensure that the long-term development of Russia’s oil sector is further slowed by the denial of vital technology from the EU and other countries imposing similar measures. The expansion of financial measures is designed to raise the cost of borrowing in Russia, for state corporations, including those involved in the provision of arms to actors in the conflict in Ukraine.

Although the full practical impact of these measures and listings cannot yet be assessed, as a whole they send the message that the UK and the EU will not accept the efforts of Russia to destabilise and undermine the sovereignty of the Ukraine.

I regret that due to the fast-moving pace of events on the ground in Ukraine and the need to agree further sanctions at short notice, I find myself in the position of having had to agree to the adoption of these Council Decisions and Regulations before your Committee has had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning Ukraine sanctions is something I take seriously and the need for the override of scrutiny on these occasions was regrettably unavoidable.

25 September 2014

Letter from the Chairman to David Lidington MP

At its meeting of 16 October, the EU Sub-Committee on External Affairs considered the documents and the reasons given for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

16 October 2014

COUNCIL DECISION 2014/512/CFSP OF 31 JULY 2014 CONCERNING RESTRICTIVE MEASURES IN VIEW OF RUSSIA’S ACTIONS DESTABILISING THE SITUATION IN UKRAINE (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting of 9 September, the EU Sub-Committee on External Affairs considered the documents and the reasons given for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.
However, we do have some questions on the substance of the restrictive measures and would be grateful for your views. We note that the more expansive wording of “sale, supply, transfer or export” which occur in the Council Decision and Regulation. Are we right to understand that those terms can be interpreted differently by Member States? Can you clarify what interpretation HMG will choose – a strict interpretation which means that any commercial activity inside the UK, inside the EU and export to outside the EU will be caught by the prohibition or will it simply mean export from the EU? Will the individual interpretation be the responsibility of national authorities or will the Commission have a role in ensuring consistency across the EU?

On the matter of prior authorisation for gas and oil exports to be secured from the competent authority, are there already the necessary measures and structures in place to facilitate that prior authorisation? If not, it occurs to us that there might be an additionally chilling effect as companies wait for the necessary procedures to be clarified.

We look forward to your reply in the usual ten working days.

9 September 2014

Letter from David Lidington MP to the Chairman

I am writing in response to your letter of 9 September 2014, following up on the questions you have raised in your letter. You have asked several questions regarding the use of ‘sale, supply, transfer or export’ and regarding the need for prior authorisation for oil and gas exports. Since your letter, the EU has adopted a further round of restrictive measures. A separate EM on these restrictive measures has been submitted to your Committee. For completeness, I have referred to these additional measures where relevant in my reply below.

‘SALE, SUPPLY, TRANSFER OR EXPORT’

‘Sale, supply, transfer or export’ appears in Article 2 and Article 3 of the Council Regulation and prohibits the sale, supply, transfer or export of dual-use goods and technology to military end-users. In addition, since the original Council Regulation was agreed, an additional Article 2a has been added to the restrictive measures. This prohibits the sale, supply, transfer or export of dual use goods and technology to a list of companies included in Annex IV in the Regulation.

You ask whether these terms can be interpreted differently by Member States, and how HMG will interpret these terms. ‘Export’ is defined in EU Customs law and essentially means the removal of EU goods from the customs territory of the Union. In our view the other terms apply to activities other than ‘export’ and are fairly straightforward to interpret. Indeed they have been used widely across other sanctions regimes in the past. It is of course possible that other Member States might interpret these terms differently, however, a mechanism has been created in Brussels for Member States to discuss questions of interpretation and implementation to reduce the scope for divergence.

PRIOR AUTHORISATION FOR GAS AND OIL EXPORTS

Article 3 of the Regulation refers to the requirement for prior authorisation for the ‘sale, supply, transfer or export’ of ‘certain technologies suited to the oil industry for use in deep water oil exploration and production, Arctic oil exploration and production, or shale oil projects in Russia’.

You ask whether there are already the measures and structures in place to facilitate the prior authorisation, and whether there might be an additional chilling effect whilst companies wait for the procedures to be clarified. Applications for prior authorisation are to be made via the Department for Business, Innovation and Skills’ (BIS) SPIRE export licensing system, as is already in use on other export licensing regimes such as those for military and dual-use items. Many exporters will be familiar with this system. In addition BIS issued initial guidance on the new sanctions on 5 August, which was updated on 14 August and 12 September, and this includes instructions on how to make applications. Therefore we do not anticipate a further chilling effect created by lack of clarity.

I hope this has fully answered your questions. My officials are available to answer any further questions you may have on any of the Ukraine restrictive measures.

25 September 2014
ECONOMIC PARTNERSHIP AGREEMENT WITH THE WEST AFRICAN REGION  
(13263/14, 13217/14)

Letter from the Chairman to Lynne Featherstone MP, Parliamentary Under-Secretary of State, Department for International Development

At its meeting of 23 October, the EU Sub-Committee on External Affairs considered the above documents which had already been cleared from scrutiny.

We welcome the prospect of the EPA and would be grateful if you could provide us with an update on the outcome of the negotiations on the provisional application of the agreement in due course.

23 October

ELEMENTS FOR AN EU STRATEGY ON PUBLIC SECURITY IN CENTRAL AMERICA AND THE CARIBBEAN (10108/14)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting on 10 July, the EU Sub-Committee on External Affairs considered the above document and decided to clear it from scrutiny.

It appears as though the strategy is a step in the right direction towards assisting development in Central America and the Caribbean, but as its main purpose is to coordinate and support the work being done by different EU Member States, its success will depend upon it being able to deliver results over and above the work already being undertaken independently by different actors. We therefore have some questions about the resourcing and implementation of the strategy.

Given that your Explanatory Memorandum noted that the strategy would be delivered via existing programmes and resources, we would be interested to know which programmes will be used to fund this and to hear your assessment of whether you believe there will be sufficient resources for the strategy to be implemented effectively.

Furthermore, your Explanatory Memorandum notes that Member States have been invited to share information on their bilateral engagement with countries in the region, so as to identify possible synergies and areas for further engagement. We would be interested to hear what extent such information is already shared and what difference the strategy will make. Under the new strategy, through what means will this information sharing be conducted in the future? Who will be responsible for identifying the synergies and ensuring that work is coordinated effectively?

We would be grateful to hear your views on the above and to receive any further updates in due course.

10 July 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 10 July, confirming that the EU-Sub Committee on External Affairs considered the above document and decided to clear it from scrutiny. You also raised some questions, however, about the resourcing and implementation of the strategy.

As stated in the Explanatory Memorandum, the strategy will be delivered via existing programmes and resources. The major resources at the EU level remain the Development Cooperation Instrument (DCI) for Latin America and the European Development Fund (EDF) for the Caribbean. Although the strategy itself brings no new funding and focuses on enhancing political dialogue with regional authorities at the bilateral, sub-regional and regional levels, it will contribute to the identification of actions under the security priorities of regional and sub-regional cooperation, and to security-related bilateral cooperation in selected countries of the region (Guatemala, El Salvador, Honduras, Jamaica) in the period 2014–2020.

In terms of the invitation to Member States to share information on their bilateral engagement in the region, so as to identify possible synergies and areas for future engagement, this information is already occasionally shared on an informal basis between EU Member State Embassies. The new strategy will, in the first instance, focus on arranging for a mapping exercise of donors to be carried out. The mapping will initially be based on secondary sources, including the IDB's Online Mapping Platform on
Citizen Security in Central America, the Caribbean Donor Activities Matrix done by Canada, and other work done by UNDP and EU Delegations. Next steps beyond this are still under internal discussion. My officials will stay in close touch with the EEAS and I would be happy to keep the Committee informed of progress.

25 July 2014

ESTABLISHING A MECHANISM TO ADMINISTER THE FINANCING OF THE COMMON COSTS OF EUROPEAN UNION OPERATIONS HAVING MILITARY OR DEFENCE IMPLICATIONS (ATHENA) (18066/11)

Letter from the Chairman to Julian Brazier MP, Parliamentary Under Secretary of State and Minister for Reserves, Ministry of Defence

The House of Lords European Union Sub-Committee on External Affairs considered this document at its meeting of 10 November and decided to retain it under scrutiny.

As the Government is not yet in a position to be able to deposit the final Council Decision, we would normally require a comprehensive Explanatory Memorandum (EM) to effectively scrutinise the Government’s position. However, the EM provided to us contained very little detail. For example, we do not consider it sufficient to state that “all proposed amendments to the Council Decision have been predominantly technical in nature and have not crossed UK red lines” without offering us more details of the amendments in question. Moreover, the EM offers little explanation of where other Member States may have wished to extend common funding arrangements and we therefore cannot make any informed decision of the Government’s veto. On the basis of this EM, we therefore feel that we cannot undertake proper parliamentary scrutiny, especially in the short timeframe requested.

On substance, we would be interested to know what steps the Government took to engage with the review. Did the UK engage constructively and proactively in order to influence the functioning of the Common Security and Defence Policy?

When the negotiations are concluded, we would be grateful if you would deposit the Council Decision along with a more detailed EM explaining the amendments which have been made. In the meantime, we have decided to retain this proposal under scrutiny.

10 November 2014

EU-ALGERIA RELATIONS (11520/14)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

As set out in my Explanatory Memorandum of 21 July, the deadline for the 8 week enhanced Parliamentary Scrutiny of these agreements ended on 27 August. You cleared these documents from scrutiny on 29 July at the Chairman’s sift, for which I am grateful.

The Government considers that the opt-in is triggered by the above mentioned Framework Agreements because they include access to Fiscalis 2020 and Customs 2020. Both Fiscalis 2020 and Customs 2020 contain JHA obligations related to fighting fraud and as such we consider that the JHA opt-in is engaged. The Government has decided to opt in to the decisions on signature and conclusion because the UK already participates in these underlying programmes.

As you are aware the Code of Practice on enhanced scrutiny of Justice and Home Affairs (JHA) asks that the Written Ministerial Statement (WMS) is laid within 2 weeks of the opt-in letter issuing to the EU. As Parliament is in recess, I plan to write to the Home Affairs Committee, Foreign Affairs Committee, and Commons Liaison Committee, informing them of our opt-in decision.

8 October 2014
I am writing to update the Committee about the mandate renewal of EUCAP Nestor, and to deposit a Council Decision extending the mission’s budget until October 2015 and a related Explanatory Memorandum.

Firstly, I regret that I have to inform you of an error in the FCO’s handling of the previous Council Decision to extend the mission’s mandate and budget. As you will recall, my officials wrote to the clerks on the 27 June to request a waiver of scrutiny for a proposal to extend the budget for three months. The reasons for this request were that negotiations on the renewal of the mandate had turned out to be more protracted than expected and there was significant under spend in the budget to allow for a three months extension without additional cost. The Committee agreed to the request.

When they wrote to the clerks, my officials believed that the Decision referred only to the three month, no cost extension. Only very recently did anyone in UKREP or the FCO notice that at the very end of the text was a sentence extending the mandate (though not the budget) until December 2016. The Decision was adopted by the FAC on 22 July.

It is true that the RELEX Secretariat, in a covering email sent to UKREP on 26 July, describe the draft Council Decision as “concerning the no-cost extension of EUCAP Nestor. It is also the case that whenever we have negotiated short term extensions previously, we have had a special Decision adopting just the negotiated changes and not an additional long term mandate extension. We shall be taking up with the EEAS their handling of this case.

However, the fact remains that this extension ought to have been spotted. The FCO should have been more vigilant, especially since we were asking the Committee to grant a waiver. I feel deeply embarrassed and offer you, the Committee and your clerks an unreserved apology.

From a policy perspective, I do support the two year extension to the mission’s mandate. In addition, the attached [not printed] Council Decision extending the mission’s budget is still to be adopted by unanimity at Council and therefore the UK retains the ability to influence the mission in light of the Committee’s considerations. Officials will be scrutinising the budget very closely and working hard to reduce costs.

The European Scrutiny Committee has highlighted concerns with EUCAP Nestor and questioned whether continuing the mission is of value to the UK. I am convinced that it is. Although no Somali pirate attack has been successful since May 2012, pirates retain an ability to operate from the shore as they did at the height of the problem in 2011. International naval forces remain key to mitigating this risk in the immediate term but the EU and NATO mandates beyond the end of 2016 are unknown. Capacity building efforts, including EUCAP Nestor, will therefore remain important to address the root causes of piracy on land. I supported the continuation of the mission on this basis but wanted to see a greater focus on UK priorities and measures to improve the mission’s performance. I believe this has been achieved, so I continue to give my support to the mission going forward. However, I would like to address your concerns in turn and set out further the progress that has been achieved in recent months.

Through discussions on the Strategic Review and Operational Plan (OPLAN), the FCO has worked hard to improve the performance of the mission and ensure it delivers UK objectives. The mission is now more tightly focussed on delivering in Somalia through a three phased approach. As described in my letter of 22 May, in the first phase this involves developing further security and risk mitigation options to allow deployment throughout key areas in Somalia; developing jointly with Somali authorities conceptual plans on law enforcement in coastal areas, including possible future police structures at federal level and developing options on how to reduce the operation of piracy networks in conjunction with other missions. The second phase involves support to entities in charge of law enforcement in coastal areas such as police services stationed along the coast, maritime or coastal police forces, coast guards or port police. Concrete activities could comprise advice, mentoring and limited equipment, in close cooperation with other regional implementing partners, such as UN agencies and training of specialized capacities to police coastal areas. The third phase involves evaluating, mentoring and monitoring the people who have been trained.

Following the European Scrutiny Committee’s report, ESC 35429 of 9 April 2014, officials have ensured that adequate security measures for deployment inside Somalia are reflected in the Operational Plan. Furthermore, there will be a drive for continued progress and accountability. Any decision to move from phase one to phase two in Somalia will be made on the basis of a
comprehensive assessment of the mission’s progress against five criteria, including the completion of phase one activities; mechanisms for oversight; the implementation of proper security and medical arrangements; and commitment from the Somali authorities.

The assessment of the conditions to be fulfilled before the mission can move forward to phase two in the different regions in Somalia will be submitted to the Committee for Civilian Aspects of Crisis Management (CivCom) through regular reporting (Mission Monthly and Six-Monthly reports) and/or ad hoc reports. The UK will have the opportunity to challenge the assessment at CivCom. If these are not achieved in the short term (6 months) then we will review our bilateral support of the mission, comprising a number of UK secondments.

The European Scrutiny Committee asked how the local state authorities will be able to provide EUCAP Nestor with the necessary buy-in that has been lacking thus far. The OPLAN provides further details on this point. Key Leadership Engagements (KLE), building on a recent successful KLE with the Puntland authorities from an EUNAVFOR ATALANTA ship, will aim to cement buy-in within Somalia. Following successful UK interventions, the OPLAN also states how the mission will work more closely with UN agencies who have been operating inside Somalia for many years, such as the UN Mission in Somalia (UNSOM) and the UN Office on Drugs and Crime (UNODC). This will further improve the mission’s access, security and standing within Somalia.

Moreover the mission is increasingly engaged with broader international efforts in Somalia, which improves the mission’s visibility and reputation with local authorities. For example, through its involvement with the UK-led Working Group on Capacity Building of the Contact Group on Piracy off the Coast of Somalia, the mission will be held to account for any failure to focus its efforts on key priorities or any lack of coordination with other regional implementers.

I apologise again for the omission within the exemption request, which does not meet the high standards that I expect. I have followed up in detail with officials and, as specified above, have ensured steps have been taken to prevent reoccurrence.

3 October 2014

Letter from the Chairman to David Lidington MP

At its meeting of 23 October, the EU Sub-Committee on External Affairs considered the above Council Decision which set the budget for the EUCAP NESTOR mission, and which had already been cleared from scrutiny at the Chairman’s sift.

We welcome the prospect of a mandate extension of the EUCAP NESTOR Mission. However, with regard to Council Decision 2014/485/CFSP of 22 July 2014, we are concerned that this could have been agreed without the FCO being aware of its contents and without the proposal having undergone proper parliamentary scrutiny.

We are grateful to you for your honest explanation and the reasons provided in your letter, and hope that the actions you have taken will prevent this from happening again. However, as the exemption from deposit was granted under false pretences, we would be grateful if you could now deposit the original document on the extension of the mandate (agreed on 22 July), along with an accompanying Explanatory Memorandum, so that the Committee is also able to consider that document as well.

We look forward to receiving the document and accompanying Explanatory Memorandum as soon as possible.

23 October 2014

EU - FIJI – ARTICLE 96 OF THE COTONOU AGREEMENT, DISCONTINUANCE OF SPECIAL MEASURES (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to update you on progress in relation to Article 96 special measures that were imposed on Fiji, as advised in my Explanatory Memorandum of August 2013. The Explanatory Memorandum related to a Council Decision amending and extending the period for which Decision 2007/641/EC applied, concluding consultations with the Republic of Fiji Islands, under Article 96 of the African, Caribbean and Pacific-EU Partnership Agreement and Article 37 of the Development Cooperation Instrument.
As stated in the Explanatory Memorandum, the restrictions on Fiji were extended to the end of March 2015. Since the extension was put in place, Fiji has successfully held a general election, resulting in a return to a parliamentary democracy. The election was observed by a Multinational Observation Group, co-led by Australia, India and Indonesia. UK and EU observers participated in the mission. Since the election, the Commonwealth has lifted Fiji’s partial suspension allowing it to return as full members. An EU Verification Mission subsequently visited Fiji following the election.

On 29 October 2014, the EU published its Verification Mission report on the fulfilment of the commitments agreed with the Republic of the Fiji islands in 2007. This report strongly recommended “that in light of the recent developments and the overall atmosphere in the country, the appropriate measures suspending development cooperation with the government should be discontinued and… political engagement should be reinforced”. It also recommended that the necessary steps to finalise round 11 of the European Development Fund (Pacific) with Fiji were carried out. At a meeting in Brussels on 20 November, the EU agreed to accept the recommendations in the report and to inform the President of Fiji that the special measures under Article 96 would be discontinued. A draft of the letter is attached [not printed].

4 December 2014

EU FOREIGN AFFAIRS COUNCIL 21 NOVEMBER 2014 - PRE-COUNCIL WRITTEN MINISTERIAL STATEMENT (UNNUMBERED)

Letter from Baroness Neville-Rolfe, Minister for Intellectual Property, Parliamentary Under-Secretary-of-State, Department for Business, Innovation and Skills, to the Chairman

The EU Foreign Affairs Council (Trade) will take place in Brussels on 21 November. I will represent the UK for all issues on the agenda.

Please see attached [not printed] a Pre-Council Written Ministerial Statement which is being laid in Parliament.

16 November 2014

EU FOREIGN AFFAIRS COUNCIL (TRADE) 8 MAY (UNNUMBERED)

Letter from the Chairman to Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills

Thank you for your letter of 16 May 2014, regarding the Foreign Affairs Council (Trade) on 8 May.

The EU Sub-Committee on External Affairs considered the letter at its meeting on 5 June and found the update helpful. However, the Committee noted the disappointing progress on the post-Bali Doha Development Agenda and wondered if you would be willing to share the Commissioner’s analysis on the matter. Your letter stated that the Commissioner’s analysis recognised a need for a “lowering of ambition” and we would also be interested in receiving further information on where the ambition will be lowered.

We look forward to your response in due course.

5 June 2014

EU MONITORING MISSION IN GEORGIA (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

Thank you for your letter of 3 July 2014, clearing our submission on the new appointment of the EU Special Representative for the South Caucasus and the Crisis in Georgia (EUSR).

You enquired about what temporary measures, if any, were in place to fund the gap in the mandate. The budget for the EUSR for the period January 2014 to June 2014 had an under spend due to the EUSR position being vacant for several months after Ambassador Lefort’s resignation at the end of
January and the appointment of Ambassador Salber. Part of this underspend was used to cover the period between the start of the new mandate and the Council adopting the appointment of the new EUSR and the new budget mandate. The EUSR budget mandate also had a small built in contingency fund for unforeseen or exceptional circumstances.

You also asked about coordination of the work of the EUSR, the EU and NATO. Georgia has the closest relationship with NATO in the South Caucasus region. Georgia’s Euro Atlantic Integration Ministry is the primary mechanism for ensuring all assistance received by Georgia from NATO and the EU is coordinated to meet Georgia’s needs and that both EU and NATO assistance is complimentary. The EU and NATO representatives locally also each have mechanisms in place to encourage coordination.

The NATO Annual National Plan with Georgia is the main tool for NATO’s engagement and lists all the areas of interest to NATO and Georgia as the country moves closer to the Alliance. This document draws together all the strands of work which are ongoing with bilateral partners and international organisations which fall into the areas of interest. The plan lists other partners already contributing to progress in a particular area, thus allowing an annual consolidation of work.

The EU records thematic projects being carried out in Georgia and invites other EU Member States, other active countries or international organisations to record their projects on the database before meeting with interested parties to further coordinate activity.

The UN also brings the wider donor community together for regular coordination meetings in three areas; conflict prevention and resolution; human rights; and, finally an ‘Ambassadors’ working group’ to discuss issues of the day.

NATO’s cooperation with Armenia and Azerbaijan is less than Georgia’s given Armenia’s membership of the Russian-led Collective Security Treaty Organisation and Azerbaijan’s policy of not joining military alliances. Unlike the conflicts affecting Georgia, the role of the EUSR, while still significant, is less prominent given the OSCE’s primary position and in particular the three Co-Chair countries’ (France, US and Russia) lead role in negotiating a solution to the Nagorno-Karabakh conflict.

However, there remain several NATO and EU shared objectives in their relations with Armenia and Azerbaijan. These objectives include encouraging both sides to make the necessary steps towards finding a solution to the Nagorno-Karabakh conflict; promoting democratic reforms (in the case of NATO in the defence sector); and working towards shared EU and NATO security goals, including more secure international borders. NATO also has Individual Partnership Action Plans with both Armenia and Azerbaijan and both countries contribute to NATO’s ISAF mission in Afghanistan.

17 July 2014

EU POLICING MISSION AFGHANISTAN (EUPOL) (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

The European Scrutiny Committee requested further information on the Strategic Review (SR) into the EU Policing Mission Afghanistan (EUPOL) in its latest report of 5 November 2014. I hope this information will also of use to the EU Select Committee, ahead of the Council Decision extending EUPOL Afghanistan’s mandate and budget being shortly deposited for scrutiny.

The European Scrutiny Committee requested clarity on the outcome of the SR into EUPOL Afghanistan. The SR assessed that progress had been made in all areas of EUPOL Afghanistan’s mandate, but recognised that the Mission’s six strategic objectives would not be fully achieved by the end of 2014. In addition, it was acknowledged that Afghan capacity would not be sufficient to continue self-sustaining progress towards a capable and functioning police service by December 2014 and assessed non-EU actors, such as NATO and the UN, would not take on EUPOL Afghanistan activity. Member States agreed that EUPOL Afghanistan should therefore extend its mandate to support Afghan authorities in the further development of an effective civilian police force. We assess that EUPOL provides an effective means of delivering engagement on policing post-2014, augmenting our own efforts to build sustainable rule of law institutions that the Afghans can lead in the long term.

Member States agreed that a two year mandate extension was a sufficient period to support Afghan authorities in areas where progress was lacking, allowing the mission to transition activity to the Afghans in a timely and practicable manner.
Based on the evidence presented in the SR, Member States agreed that the mandate extension should continue EUPOL Afghanistan’s current structure of three broad lines of activity (advancing institutional reform in the Ministry of Interior, professionalisation of Afghan National Police (ANP) and connecting the police to the justice sector), within which support could be prioritised as necessary. Member States agreed on the continuation of all three strands of activity for the first year, with the third pillar (connecting the police to the justice sector) discontinued at the end of 2015. In its final year the mission will continue to support Ministry of Interior (MOI) reform and police professionalisation, with all activity transitioned to the Afghans or other multilateral actors by the mission end date of 31 December 2016.

The focus of the new mandate will be narrowed in terms of size and scope. Mentoring will take place only at the highest strategic level, activity will be prioritised, and the geographical layout of the mission reduced, resulting in reductions in staffing and a reduced mission budget.

The SR identified a number of sustainable outcomes in most areas of mission activity. Under the first operational pillar, advancing institutional reform in the Ministry of Interior, the SR highlights the improved institutional capacity of the MoI, largely due to the delivery of substantial leadership and management training, including in the Police Staff College. Specific reference is made to progress in professionalism, leadership and management skills, as well as embedding of command and control mechanisms. Improvements in the Ministries’ capacity to draft operational policies and strategies are acknowledged, as evidenced by the development of a number of Afghan operational policies, such as the ANP Code of Conduct and the 10 Year Vision for the ANP.

Under the second operational pillar, professionalisation of ANP, sustainable outcomes focus on the construction and development of ANP training infrastructure and the Afghans increased capacity to deliver training. The Police Staff College (PSC) and the Crime Management College (CMC) were established by EUPOL Afghanistan, with Afghan officers trained to take over the running of both training facilities. The Colleges were successfully transferred to Afghan ownership in February and March 2014. In addition, the SR references the establishment of a number of EUPOL Afghanistan trained and mentored Community Policing Units in Kabul and seven provinces, demonstrating progress in the MOI’s commitment to community policing.

Under the third operational pillar, connecting the police to the justice sector, the SR outlines the increased capacity of the Ministry of Justice (MoJ) and the Attorney General’s Office (AGO). MoJ and AGO are increasingly able to draft policies and strategies, as demonstrated by the drafting of the five year strategies for the MoJ and the AGO.

The budget for the period 1 January 2015 to 31 December 2016 is still being negotiated in Brussels. Proposed expenditure is €58,000,000. This would represent a reduction of approximately 39% on the current budget covering the period 1 June 2013 to 31 December 2014. I will include a detailed analysis of the budget in my forthcoming explanatory memorandum on the mandate renewal, which I hope to issue within the next two weeks.

EUPOL Afghanistan will apply a structured process to report and inform on the mission’s performance and progress in implementing the mandate. The next mandate will be benchmarked against the objectives, timeframes and measurable indicators identified within the OPLAN. This contains a clear outline of the phases and timescales for activities in the run-up to the end of 2016, assessing progress of the three lines of operation and the transition of the mission’s activity.

Benchmarking will help measure progress and outcomes by comparing the situation (an initial baseline) for a range of activities, against their evolution at given points using pre-defined indicators and means of verification. Information on progress will then be used to facilitate tactical, operational and strategic policy adjustments, as required.

The UK will continue to have the opportunity to evaluate the impact of EUPOL through the six-monthly reports issued by the Head of Mission which evaluate the mission against its specific objectives. These six month reports are discussed in Civilian Aspects of Crisis Management Committee and the Political & Security Committee and provide all Member States with the opportunity to critique the mission at regular intervals and inform budget and mandate discussions, ensuring that the mission is delivering value for money.

The European Scrutiny Committee also requested clarity on how EUPOL’s work in the areas of “good governance” and human rights will relate to the overall EU strategy on Afghanistan 2014-2016. The EU is pursuing a comprehensive approach in its support to Afghanistan, with the respective mandates of the EU instruments aligned to achieve this overarching EU Strategy. The extended mandate will deliver human rights and anti-corruption activity through a combination of both mainstreaming and specific measures. A dedicated human rights and gender advisory capacity at the
level of the Head of Mission will provide strategic advice on mainstreaming gender throughout the mission’s activities. In addition, the mission will address anti-corruption, gender and human rights in each of its three lines of operations, with work at the operational and tactical level. It is intended that EUPOL Afghanistan’s niche activity in this area will be aligned and will reinforce the overall EU approach as outlined in the EU Strategy on Afghanistan 2014-2016; advancement of human rights, linking the components of the justice sector, tackling human rights abuses and strengthening freedom of expression.

I will shortly deposit the Council Decision extending EUPOL Afghanistan’s mandate and budget, and provide further detail in the related Explanatory Memorandum. I will also write in due course to update the Committee following the London Conference and the National Security Council’s consideration of the UK’s specific post-2014 military commitment.

21 November 2014

EU - SINGAPORE PARTNERSHIP AND COOPERATION AGREEMENT (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

The PCA between the EU and its Member States and Singapore and the Free Trade Agreement (FTA) which is being negotiated in parallel, provide a legal framework for EU-Singapore relations. They are key to strengthening the EU’s and Member States’ relationship with Singapore. This is strongly in the UK’s interests.

The EU is Singapore’s second largest trading partner after Malaysia. Around three-quarters of Singapore’s inward investment into Europe goes to the UK, worth £22 billion in 2012. Over 1000 UK companies have offices in Singapore and in 2012 the UK was the third largest foreign direct investor. We are also cooperating more closely with Singapore on security issues, in particular cyber security, counter-proliferation and maritime security.

The original Commission proposal of 18 February 2014 for a Council Decision on signature of the Singapore PCA was contained in one Decision - 2014/0036. A revised proposal was issued on 24 February 2014 to split this proposal into two Decisions which supersede the previous document: one Decision ("the Main Decision") concerning signature of the entire agreement with the exception of matters related to readmission (a JHA matter) and a second ("the Readmission Decision") concerning signature of the PCA with regard to matters related to readmission, citing a Title V legal base (Art 79(3) TFEU).

In Article 19(6) of the Agreement, covered in the Main Decision, the Union assumes an obligation, upon request, to negotiate a readmission agreement with Singapore. This would require the EU to seek to negotiate in an area covered by Title V of the TFEU. The Government therefore considers that the JHA opt-in applies to this provision, even though the Main Decision does not cite a Title V legal base.

The draft Readmission Decision, which covers Article 19(5) of the Agreement, does have a Title V legal base. However, the obligations in Article 19(5) are clearly directed at the Member States themselves and we do not think it appropriate for the EU to exercise competence in this area. The Government has therefore decided not to opt in to the draft Readmission Decision, and instead to assume the obligations in Article 19(5) in its own right, rather than as a Member of the EU. I am writing to inform you of this fact. The UK intends to put down a minute statement stating that pursuant to Article 2 of Protocol No. 21 we do not regard ourselves bound by Article 19(6) of PCA and that we do not consider Article 19(5) an exercise of EU competence and the separate Decision was therefore not necessary.

We have decided not to opt in because Singapore is not a priority country for removals from the UK, and we are not currently persuaded that participating in a future EU readmission agreement with it would improve the already effective bilateral arrangements we have for the returns. We note that if negotiations for a readmission agreement take place as envisaged by Article 19(6), those negotiations would require a separate negotiating mandate to which a separate opt-in decision would apply. If our assessment of the utility of an EU readmission agreement with Singapore changed, we would still be able to opt in to that negotiating mandate and indeed to the signature and conclusion of any such agreement.

In making this decision the Government took into consideration that the Government’s general position on mixed (EU and Member State) agreements is that Member States should assume the
obligations in their own right other than in areas of exclusive EU competence. This is consistent with the approach that was taken with regard to the EU-Indonesia PCA and the EU-Korea FTA.

19 August 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter of 19 August, on the above Agreement, which the EU External Affairs Sub-Committee considered at its meeting on 9 September.

We note that your letter neither mentions, nor respects, the recent decision of the Court of Justice on 11 June on the PCA with the Philippines (C-377/12), with which you are no doubt familiar. That PCA contains a similar Article on migration to Article 19 of the PCA with Singapore. In relation to the readmission provisions of the migration Article in the Philippines PCA, the Court held that they “do not contain obligations so extensive that they may be considered to constitute objectives distinct from those of development cooperation” (paragraph 59). The Court held that the Council was wrong therefore to add a legal base in Title V for the readmission provisions and annulled the contested Decision.

Yet your letter is written as if the Court had come to the opposite conclusion:

In Article 19(6) of the Agreement, covered in the Main Decision, the Union assumes an obligation, upon request, to negotiate a readmission agreement with Singapore. This would require the EU to seek to negotiate in an area covered by Title V of the TFEU. The Government therefore considers that the JHA opt-in applies to this provision, even though the Main Decision does not cite a Title V legal base.

You then tell us that the Government will put down a minute statement in the Council to this effect.

In order to scrutinise national policy on the EU effectively, we rely on the Government’s transparency in disclosing all relevant factors, including those, such as in this case, which constrain government policy. We would therefore be grateful to hear why your letter did not mention the consequences of the Court’s decision in C-377/12 on the PCA with Singapore.

Further, we ask you to explain the basis on which you contend that Article 19(6) of the PCA with Singapore derives from Title V TFEU, in direct contravention of the Court’s decision.

We look forward to your response within the usual 10 working days.

9 September 2014

EU SPECIAL REPRESENTATIVE FOR THE HORN OF AFRICA (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting of 10 July, the EU Sub-Committee on External Affairs considered the above document and decided to retain it under scrutiny. The Committee remains to be convinced, given the increased violence and continued instability in South Sudan, that the balance of priorities struck is the right one, the capacity available is commensurate to the task and the resources awarded to the double-hatted EUSR for the Horn of Africa are adequate.

Since the decision was taken to merge the two mandates of the EUSR, the situation in South Sudan has deteriorated seriously in the last 6-9 months. We would therefore welcome your assessment on whether you feel that the resources available to the double-hatted EUSR will be sufficient to enable the necessary work that is required in South Sudan. Do you agree that the situation in South Sudan would benefit from renewed and sustained political focus from the European Union? Is the EUSR a useful tool to be able to deliver the EU and Member States’ political objectives? Your explanatory memorandum notes that, should the violence in South Sudan escalate further or the famine worsen, then the mandate should be reviewed, but we wonder whether that is soon enough. Is it now timely to reconsider the EU’s engagement in South Sudan and the region and to further reconsider whether that engagement should be upgraded?

We look forward to receiving your response within the usual 10 working days.

10 July 2014
Letter from David Lidington MP to the Chairman

Thank you for your letter of 10 July regarding Council Decision amending Decision 2013/527/CFSP amending and extending the mandate of the EU Special Representative for the Horn of Africa.

I appreciate your concerns about the current situation in South Sudan, which remains deeply disturbing. We keep all of our diplomatic engagement on that country under constant review, including the role of the EUSR. However, I remain satisfied at present that the EUSR is playing a vital role in helping to resolve the conflict, and therefore believe current levels of engagement and resourcing remain appropriate.

The EUSR has been actively engaged with the Inter-Governmental Authority on Development (IGAD) chaired talks, on which he has worked closely with our own Special Envoy and the wider Troika (UK / US / Norway) to support IGAD and push for a swift and inclusive process. As part of this, the EUSR has been able to be sufficiently flexible and his team sufficiently well resourced to engage key regional players and to travel to Addis Ababa in order to participate in key meetings in person, often at short notice.

Where the EU as a whole can play an important role in South Sudan is through co-ordinated actions that increase pressure on the two sides to abide by their commitments and reach rapid agreement on a transitional government of national unity. A key element of this agenda is sanctions, targeting those identified as breaching the cessation of hostilities agreement or seeking to hamper further political negotiations. The EUSR was heavily involved in developing the first round of EU sanctions announced on 11 July, which we believe have sent a strong political message to both parties that they must remain sincerely engaged in the process. The possibility of further rounds of sanctions, as well as UN measures are very real and the EUSR will again play a crucial role in helping support any such actions.

This activity has not prevented the EUSR from also being active in Somalia, where he is also effectively delivering his mandate. There, despite an extremely challenging operating environment real political progress is being made, Al Shabaab are being pushed back militarily and EU engagement in the round is increasing. The EUSR’s excellent personal contacts with Ethiopian and IGAD contacts in Addis Ababa have directly contributed to these successes. We have also recently seconded a British member of staff to the EUSR’s office, which should improve the EUSR’s coordination with the UK.

I hope this letter will be sufficient for the committee to reconsider the proposal and agree to extending the EUSR mandate until February 2015.

21 July 2014

EU SPECIAL REPRESENTATIVE FOR THE SOUTH CAUCASUS AND THE CRISIS IN GEORGIA (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting of 3 July the EU Sub-Committee on External Affairs considered the above document and decided to clear it from scrutiny.

However, the Committee noted that the current budget for the EU Special Representative expired on 30 June and that the UK’s scrutiny reserve would remain in place until the committees in both Houses had cleared the document. We would therefore like to know what temporary measures, if any, have been put in place in order to cover the gap in the mandate. In light of recent events, we would also be interested to know what discussions there have been to ensure that the work of the EU Special Representative, and the EU in general, is closely coordinated with the work of NATO in the region.

We look forward to your response within the usual 10 working days.

3 July 2014

Letter from David Lidington MP to the Chairman

I am writing to update the Committee on the EU Monitoring Mission in Georgia (EUMM), in light of the completion of its latest Strategic Review. I hope this information will assist the Committee’s preparations for scrutiny of the EUMM’s mandate at the end of 2014.
The EUMM was launched in August 2008, following the Georgia/Russian conflict, to monitor the implementation of the Peace Agreements of 12 August and 8 September. The mission’s core tasks are Stabilisation, Confidence Building, Normalisation and Informing EU Policy. The Mission will be six years old when the current mandate expires in December 2014.

In view of developments in the region, the latest strategic review of the EUMM recommended that:

— The mandate be extended for two years (i.e. up to December 2016);
— It continues to focus on the core tasks mentioned above;
— It should maintain its current headcount for now (401 in total, 272 international and 129 local) given the wider political context of Russia’s actions in Ukraine/Crimea;
— There should be further strengthening of its cooperation and coordination with all EU instruments and Member States as well as other actors engaged in Georgia and conflict resolution;
— The structure of the Mission should be kept under review and the Head of Mission should make proposals to update it as appropriate; and
— The next Strategic Review should be held mid-mandate (i.e. around the end of 2015).

The Government is content with the outcome of discussions on the Strategic Review and is minded to agree to the mandate extension at the end of 2014 on the terms set out above. Renewing the mandate would be an important signal of EU support to Georgia at time when the country is concerned about the potential for punitive Russian actions against it.

The EUMM continues to play a vital role in stabilising and providing security to the region, for example successfully managing tensions last autumn in the period around the Presidential elections, and earlier this year ahead of and during the Sochi Winter Olympics. It also continues to play a vital role in facilitating activities near the Administrative Boundary Lines by informing all parties in a timely, credible and reliable manner. This allows, for example, works on utilities to go ahead which directly benefits local populations.

A new Head (Toivo Klaar, Estonia) and Deputy Head (Ryan Grist, UK) have had a positive impact on the work of the EUMM, although relations with the de facto authorities in the breakaway regions of Abkhazia and South Ossetia continue to be difficult. Ongoing lack of access to the breakaway regions continues to be a major constraint towards full implementation of the Mission’s mandate. The EU continues to push for the EUMM to have access to the breakaway regions, although other parties involved have yet to agree.

In addition we continue to support and argue for the EUMM Head of Mission and the EEAS to regularly review the structure and staffing numbers of the mission, in order to maximise the impact of existing resources and identify efficiency savings.

I will write again ahead of mandate renewal with further information.

7 July 2014
EU-SWISS INSTITUTIONAL FRAMEWORK AGREEMENT (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

Thank you for your letter of 16 May regarding the negotiating mandate for an EU-Swiss Institutional Framework Agreement.

The EU Sub-Committee on External Affairs considered your letter at its meeting on 5 June. We are grateful to you for undertaking to keep the Committee informed about the negotiations for an EU-Swiss Institutional Framework Agreement. We are also interested in the renegotiation of the EU-Swiss Free Movement of Persons (FMOP) Agreement, and would welcome receiving updates on those negotiations too as they progress.

We look forward to receiving your further updates in due course.
5 June 2014

EU-UKRAINE ASSOCIATION AGREEMENT, INCLUDING DEEP AND COMPREHENSIVE FREE TRADE AREA (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

The election of President Poroshenko in a decisive first-round victory on 25 May has given Ukraine the chance to move forward from the turmoil of the last few months and address the underlying problems of the country through wide-ranging reforms. But the situation in the east of Ukraine remains of grave concern, and the UK and wider international community are continuing to support Ukraine and make clear to Russia that its actions will have consequences. I wanted to update you on developments, in particular with regard to our action in the European Union.

The Foreign Secretary updated Parliament on 13 May following his visit to Ukraine on 6-7 May, and the Foreign Affairs Council meeting on 12 May. His statement covered the UK response to the situation in Ukraine, including: a) support to Ukraine and b) pressure on Russia to de-escalate the situation.

Under the category of support to Ukraine, the Foreign Secretary noted the Foreign Affairs Council’s firm commitment to sign the remaining provisions of the Association Agreement with Ukraine, including a Deep and Comprehensive Free Trade Area, as soon as possible after the presidential elections. You will recall that in my letter to you of 17 March, I informed you that EU Heads of State and Government had, at the request of the Ukrainian Prime Minister, agreed to bring forward signature of the political chapters of the EU’s Association Agreement with Ukraine. These chapters were signed at an Extraordinary Summit on 21 March. In his inauguration speech on 7 June, President Poroshenko made clear his commitment to a European future for Ukraine and that his pen was in his hand ready to sign rest of the Association Agreement.

Some will question whether Ukraine and the EU should sign the Association Agreement when retaliation from Russia remains likely and Ukraine has many internal problems to resolve. Our firm position is that Russia should not be allowed to have a veto over Ukraine’s future. Signing the Association Agreement will not come at the expense of dialogue with Russia, and the UK will continue to urge Russia and Ukraine to engage constructively to de-escalate the tensions in the east of the country. We are encouraging President Poroshenko to continue to engage with the whole country in an inclusive dialogue, and ensure that any security operations remain measured and respect the safety and security of non-combatants. I am also convinced that the Association Agreement provides the best support framework for Ukraine to take forward the reforms that are essential to build a stable, prosperous, democratic country.

The Prime Minister met President Putin on 5 June and called on him to recognise the legitimate election of President Poroshenko. He urged Putin to take action to contribute to ending the destabilisation of eastern Ukraine, stop arms crossing the border from Russia into Ukraine, and cease Russian support for separatist groups. The Prime Minister made clear that if these things did not happen, stronger sanctions, applied by economic sector, would follow. G7 leaders affirmed last week our non-recognition of Russia’s illegal annexation of Crimea and condemned the unacceptable interference in Ukraine’s sovereign affairs by the Russian Federation.
You will be interested in the implications of AA signature for parliamentary scrutiny. As you will recall, we originally submitted draft Council Decisions in June 2013 in expectation of a Ministerial decision on whether to sign the Association Agreement with Ukraine at the Eastern Partnership Summit on 28-29 November 2013. The draft Council Decisions on signature and provisional application of an Association Agreement between Ukraine and the EU cleared scrutiny in the Commons via a debate in European Committee B on 11 November 2013 and the resolution of the House agreed the following day. These decisions also cleared scrutiny in the Lords on 15 October at the EU Select Committee Chairperson’s sift. However, President Yanukovych subsequently announced that Ukraine’s preparations for signature of the Association Agreement would be put on hold.

In my letter of 17 March, I explained that a Council Decision had been circulated authorising signature and provisional application of the ‘political chapters’ of the Association Agreement. The ‘Final Act’ document signed by all parties in March included a commitment to proceed to signature and conclusion of the whole agreement in due course. Nothing had been added to the text of the Agreement which was cleared from scrutiny in 2013. The March Council Decision authorised signature and provisional application of the following Titles from the AA text previously cleared from scrutiny:

- Preamble – Article I
- Title I – General Principles
- Title II – Political Dialogue and reform, Political Association, Cooperation and Convergence in the field of Foreign and Security Policy
- Title VII – Institutional, General and Final Provisions

On 11 June the College of Commissioners put forward a new Council Decision to agree signature and provisional application of the remaining Titles of the Association Agreement. These are:

- Title III – Freedom, Justice and Security
- Title IV – Trade and Trade-related Matters
- Title V – Economic and Sector Cooperation
- Title VI – Financial Cooperation, with Anti-fraud Provisions

Again, nothing has been added to the text of the Agreement that cleared scrutiny last year. The new draft Council Decision differed from the Decisions previously considered by the Committees in one respect:

- It is a single Decision and not split to give a Title V legal base for the article regarding the provisions relating to the treatment of third-country nationals legally employed as workers in the territory of the other party;

The UK has lobbied to ensure that this change is reversed. This will be discussed at COEST on 12 June where, based on informal assurances, we are optimistic that the Title V legal base will be reinstated and the Decision split. Both the Council Decisions and the Association Agreement will therefore be substantively identical to documents previously cleared by the Committees. The aim is to sign the Agreement at the June European Council on 27 June, which means that all processes will need to be completed by 18 June, in advance of the Foreign Affairs Council on 23 June.

Pending entry into force of the Agreement, only a limited number of articles within these Titles will be applied provisionally once Ukraine has ratified the Agreement. The UK Government negotiated a limited scope for provisional application to protect Member State competence. The Agreement being presented to the European Council respects the deal reached in September. Under Title III on Justice, Freedom and Security, for example, provisional application will only cover Articles 14 and 19. Article 14 is a general chapeau article on rule of law and respect for human rights and fundamental freedoms; in September the UK secured a Joint Statement that makes clear that cooperation under this article does not constitute an exercise of competence by the European Union pursuant to Title V of Part III of the Treaty on the Functioning of the EU. This Statement is annexed to the new Council Decision and Final Act. Article 19 only applies to the UK in respect of a pre-existing re-admission agreement and, as I have previously advised the Committee, the UK opted into this provision in September 2013. The only other aspect of the Agreement where the UK declared its opt-in and opted in is Mode 4. My Explanatory Memorandum of 9 October set out the UK’s approach and position.
As these documents are in essence the same as those which cleared scrutiny in September 2013, and there is an important political imperative to sign the Association Agreement with Ukraine as soon as possible to enable the EU to strengthen its support for Ukraine, I am formally requesting that your Committee exempt the documents from scrutiny.

12 June 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter of 12 June, regarding the situation in Ukraine, which was considered by the Sub-Committee on External Affairs at its meeting on 19 June.

The revised Council Decision to sign and provisionally apply the EU-Ukraine Agreement is of considerable political importance. We therefore cannot agree that the Decision should be exempted from scrutiny, and instead we ask that it should be deposited immediately, so that the Committee can examine it in further detail. We note that the previous Decision was cleared from scrutiny in September last year, before the political upheaval in Ukraine had begun.

A further reason the draft Decision should be deposited is the Government’s approach to the opt-in, which, though familiar, in the context of the provisional application of an agreement as important as this raises important political and legal questions. The EM which follows the deposit of the draft Decision should explain the UK’s approach in detail, including whether the UK is isolated in its views on the application of the opt-in, what the views of Ukraine are, and how legal certainty will be achieved.

That said, the EU has very publicly and consistently signalled its policy to sign the Association Agreements by June 2014 and we understand that to hesitate now and to miss its own internal deadline could be perceived as a sign of division. In light of this political importance, we do not wish our request for the revised Decision to be deposited to frustrate ministerial agreement in the Foreign Affairs Council on 23 June. So, while we cannot formally agree to exempt the document from scrutiny, we have agreed that, if the Decision is deposited in advance of the Council meeting on 23 June, we will waive scrutiny for the purposes of ministerial agreement at that meeting — in other words, in these exceptional circumstances we will grant a waiver of a document in advance of it being deposited.

We look forward to hearing the outcome of the Council, and the decisions taken in relation to the Association Agreement, in due course.

19 July 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 19 June agreeing to waive scrutiny of the new Council Decisions relating to the EU-Ukraine Association Agreement for the purposes of agreeing the Decisions at the Foreign Affairs Council on 23 June. This allowed signature to go ahead at the European Council on 27 June. As requested, we deposited the new documents on 20 June and I am submitting an Explanatory Memorandum that covers your questions relating to the UK’s approach to the opt-in.

You may be interested to see the texts agreed on 21 March, and all associated statements or declarations, in order to give the complete picture. I am pleased to enclose [not printed] these with this letter.

The Council Decision that allowed signature and provisional application of the political chapters on 21 March covered the following elements of the Association Agreement that had cleared scrutiny in November 2013:

- Preamble – Article I
- Title I – General Principles
- Title II – Political Dialogue and reform, Political Association, Cooperation and Convergence in the field of Foreign and Security Policy
- Title VII – Institutional, General and Final Provisions

Pending entry into force of the Agreement, only a limited number of articles within these Titles will be applied provisionally once Ukraine has ratified the Agreement, probably in autumn 2014. The Council Decision allowing signature and provisional application of the political chapters respected the deal reached in September 2013 following intensive UK Government negotiation to limit scope for
provisional application to protect Member State competence. Under Title II, provisional application will only cover Articles 4, 5 and 6. Articles 7 and 10 on, for example, Common Security and Defence Policy and Common Foreign and Security Policy will not be provisionally applied. The ‘Final Act’ document signed by all parties included a commitment to proceed to signature and conclusion of the whole agreement in due course.

In March, Portugal lodged a minute statement regarding competence of Member States in relation to the Council Decisions to approve signature and provisional application of the political chapters mentioned above. In respect of the signature and provisional application of the remaining parts of the Association Agreement, we secured a joint statement on the part of the Council, the European Commission and the High Representative on competence relating to the provisional application of Article 2 (Title I – General Principles) and Article 14 (Title III – Justice, Freedom and Security). The UK also lodged minute statements relating to exercise of competence on free trade areas and traditional knowledge, and the Justice and Home Affairs opt-in. In addition, Austria, Italy, Romania and the Czech Republic lodged minute statements to register their view that a Title V legal base did not need to be cited to cover the provisions relating to the treatment of third-country nationals legally employed as workers in the territory of the other Party therefore leading to split Decisions.

The Foreign Affairs Council on 23 June also approved two Council Decisions relating to conclusion of the Association Agreement, which will be sent to the European Parliament to obtain its consent prior to adoption by the Council. These documents are substantially the same as those I submitted to the Committees under my Explanatory Memorandum of 9 October 2013. They have merely been updated to reflect the fact that certain provisions of the Agreement had already been signed, and to mirror the two split Decisions on signature. A third Decision was adopted approving the conclusion by the Commission, on behalf of the European Atomic Energy Community of the Association Agreement. As you’ll recall, this third Decision was exempted from scrutiny by your Committee in November 2013.

The “Final Act” signed by all parties contained language making clear that “the Agreement shall apply to the entire territory of Ukraine as recognised under international law and shall engage in consultations with a view to determine the effects of the Agreement with regard to the illegally annexed territory of the Autonomous Republic of Crimea and of the City of Sevastopol in which the Ukrainian Government currently does not exercise effective control.”

2 July 2014

Letter from David Lidington MP to the Chairman

My letter to you of 2 July confirmed that, following your Committee’s agreement to waive scrutiny clearance of the new Council Decisions relating to the EU-Ukraine Association Agreement, signature of the EU-Ukraine Association Agreement went ahead at the 27 June European Council.

The situation in Ukraine continues to be of great concern. The Government remains committed to supporting a political settlement to the crisis. Although an agreement, including a ceasefire, was signed in Minsk on 5 September by representatives of Ukraine, Russia and the pro-Russian separatists, the ceasefire remains fragile, with violations reported on a daily basis. We continue to urge Russia to take action to withdraw its troops and equipment from the territory of Ukraine, to engage constructively with the Government of Ukraine, and to use its influence with the separatists to encourage them to do the same.

On 12 September at the latest in a series of trilateral (EU-Ukraine-Russia) consultations, a deal was brokered in which the EU proposed to delay the provisional application of the Deep and Comprehensive Free Trade Area (DCFTA) of the Association Agreement to 31 December 2015. These consultations form part of a wider intense negotiation process aimed at deescalating tensions on the ground in Ukraine. The 12 September proposal offers a pragmatic and flexible solution by delaying its provisional application of the DCFTA, at Ukraine’s request, whilst leaving the text unchanged.

The Ukrainian Rada ratified the Association Agreement, including the DCFTA, on 16 September, and the European Parliament gave its assent to the Agreement in parallel. These actions demonstrated the continuing commitment by both parties to the Association Agreement and a closer EU-Ukraine relationship. Five Member States have already ratified the Agreement and we plan to begin the UK ratification process for the EU-Ukraine Association Agreements, alongside those with Georgia and Moldova, in the near future. Russia, which had previously hinted at retaliatory measures, has not responded to the ratification of the Association Agreement by Ukraine.
Following the 12 September discussions the Commission has formally proposed the delay in the provisional application of the DCFTA, which forms Title IV of the Association Agreement, to Member States. Delay of the DCFTA until 31 December 2015 requires a new Council Decision and therefore is subject to scrutiny.

The timetable for agreement of the new Council Decision is, however, extremely tight. Given that Ukraine has now ratified the Agreement, provisional application would, if notification by the EU had followed based on the original Council Decision, begin on 1 November 2014. The text of Article 486 of the Association Agreement provides that provisional application comes into force on the first day of the second month after Ukrainian ratification and notification by the EU of what it intends to apply. Therefore, if the Council Decision is agreed by the 30 September we would remain on schedule for provisional application of the non DCFTA elements on 1 November as planned, whilst agreement in October means provisional application would slip to 1 December.

After much consideration, I regret that I must override scrutiny in this instance in order to allow the Council Decision to be agreed and the non DCFTA elements of the Association Agreement to be implemented in the necessary timeframe. It is my strong view that we cannot delay provisional application of the non DCFTA elements of the Association Agreement. Russia has already sought to misinterpret the agreement and imply that the 12 September deal applies to the Association Agreement in its entirety, not just the DCFTA, it is politically important to remain on schedule.

It remains the case that any amendments to the Association Agreement, including DCFTA, can only be at the request of one of the two Parties to the Agreement. Any amendment would require the unanimous agreement of EU member states and Ukraine, and changes to the Agreement itself would require further ratification procedures. The informal trilateral consultations between the EU, Ukraine and Russia on the possible impact of the DCFTA on Russia do not affect the autonomy of the decision of the EU and Ukraine as the two Parties to the Agreement, and does not impact on Ukraine’s right to make its own sovereign decisions and determine its own future.

I regret that due to the political imperative I find myself in the position of having to agree to the adoption of this Council Decision before the House returns from recess and your Committee has had an opportunity to scrutinise the documents. This has been a particularly difficult decision, as I recognise that this is clearly a politically important decision on which I would have liked to have given you the opportunity to scrutinise. The Decision and a thorough Explanatory Memorandum will still be deposited for scrutiny as soon as possible. As you know, I take the responsibility to keep your Committee informed on issues of political importance seriously and the need for the override of scrutiny on this occasion is regrettably unavoidable.

25 September 2014

Letter from the Chairman to David Lidington MP

At its meeting of 16 October, the EU Sub-Committee on External Affairs considered the documents and the reasons given for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

16 October 2014

EULEX RULE OF LAW MISSION IN KOSOVO (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting of 9 September, the EU Sub-Committee on External Affairs considered the above document.

We note that as part of the smaller, more focused mission, EULEX KOSOVO will start to phase out its executive functions in the justice sector as part of a phased handover to Kosovo. Given the important work currently being carried out by the mission to investigate serious cases, we wondered what work has been undertaken to ensure that the authorities in Kosovo are capable of taking on this role. What assessment has there been of Kosovo’s ability and willingness to take on this role? How will EULEX KOSOVO assist Kosovo with the creation of a special court to hear trials arising from SITF investigations and ensure that ongoing work on serious cases are completed in a timely and thorough manner?
We would also be interested to know how the success of the mission will be assessed. What criteria regarding the success of the mission will the UK Government apply when considering the budget again this time next year?

We would be grateful to receive your response within the usual 10 working days. In the meantime, we are content to clear the document from scrutiny.

9 September 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 9 September on EULEX Kosovo. You asked a number of questions about the transition envisaged in the Strategic Review.

WHAT ASSESSMENT HAS THERE BEEN OF KOSOVO’S WILLINGNESS AND ABILITY TO TAKE ON SERIOUS CASES CURRENTLY HANDLED BY EULEX, AND ENSURE THAT THESE CASES ARE COMPLETED IN A TIMELY MANNER?

The transition to Kosovo responsibility will inevitably be a challenging one, but I am confident that the mission’s approach offers a good chance of success. We were among the Member States who insisted during the Strategic Review that the mission must prepare a ‘transition roadmap’ no later than the end of this year, assessing exactly the question you pose and considering how best to manage the risks of this process. We will need to await the development of this roadmap, but we expect the transition from EULEX will be accompanied by an increase in EU assistance through other tools, such as European Commission projects, so that the Kosovo authorities will not be left completely unsupported. In the meantime, the mission will also begin to step up joint working with the Kosovo authorities on serious cases, to ensure there is a steady increase in local capability and to minimise the risk of gaps and delays when the mission eventually hands over cases.

HOW WILL EULEX ASSIST WITH THE CREATION OF A SPECIAL COURT TO HEAR TRIALS ARISING FROM THE SITF INVESTIGATIONS?

This is an ongoing area of planning for the mission, led by the EEAS. It has been agreed that EULEX will provide the funding and staffing for an out of country special court, including the appointment of judges, and the mission and EUSR will also assist the Kosovo authorities as necessary with the legal and practical elements of their agreement and co-operation with the authorities of a potential host state. Kosovo has agreed in an exchange of letters between the High Representative and the President that they will accept this assistance and ensure the establishment of the court. Further details will take shape once a new government is formed in Kosovo and more detailed laws to facilitate the creation of the court are passed. Discussions are also ongoing in Brussels about the practical arrangements, such as funding, and there is EEAS-led work with the potential host state.

WHAT CRITERIA WILL THE UK APPLY TO CONSIDER THE SUCCESS OF THE MISSION?

The UK was successful in inserting much more robust benchmarks and indicators into the mission’s revised Operations Plan, for the first time explicitly requiring the mission to establish quantitative baselines for numbers of cases, mentoring activity and so on. The O Plan requires progress against these indicators to be reported in the mission’s regular reports to Member States, allowing robust scrutiny of its performance. At the general level, we would want to see evidence of successfully completing serious cases, clear signs of increasing capability among the Kosovo authorities, and an improved security environment in the north of Kosovo through the process of Dialogue implementation. As the mission approaches the end of its mandate, it will also be required to prepare a thorough report on its performance and the progress achieved by the Kosovo authorities. We will use all these materials as part of our assessment of the mission when the budget is next considered.

I hope these responses answer your questions satisfactorily.

22 September 2014

Letter from David Lidington MP to the Chairman

You may recall that we exchanged letters a few months ago about extending the mandate of the EULEX rule of law mission in Kosovo, based on a smaller budget and a more focused approach. I would like to update you on a recent serious development in relation to EULEX and explain the UK’s position on it.
On 27 October, allegations of corruption within EULEX's ranks were aired in the Kosovo media, and have been subsequently repeated in media reports across Europe. The allegations were made by a UK national seconded to EULEX as a prosecutor by the Foreign and Commonwealth Office (FCO). The central allegation is that a EULEX judge (seconded by Italy) took bribes from contacts of the defendant in a criminal case – a charge that is denied. Secondary allegations relate to EULEX's handling of this issue and of the UK staff member concerned.

This is a serious matter. The UK, along with other Member States, quickly made it clear to the EEAS that a thorough response was needed, which not only investigated the allegations but also ensured that public confidence was maintained in EULEX's handling of such cases. High Representative Mogherini has announced that an external investigation will take place into the matter. We welcome the transparency and much-needed external scrutiny that these actions will bring. The issue was discussed by the European Parliament's Foreign Affairs Committee on Monday 3 November.

While this is an internal matter that is primarily for EULEX to address, the UK Government has a clear interest both as a supporter of the EULEX mission and because the prosecutor making the allegations and some of the individuals named in secondary allegations are UK nationals seconded to EULEX by the FCO. My officials are therefore engaged with EULEX and the EEAS. We are also in touch with affected staff members through Human Resources channels, although it would not be appropriate to comment on individual cases.

The Government’s priority is to ensure the allegations are thoroughly investigated by the EEAS, help restore public confidence in EULEX, and ensure the mission is as effective as possible for the remainder of its mandate in Kosovo. I will update the Committee in due course as the situation develops.

6 November 2014

EUROPEAN DEFENCE AGENCY STEERING BOARD MEETING, 18 NOVEMBER 2014

Letter from Julian Brazier MP, Parliamentary Under Secretary of State and Minister for Reserves, Ministry of Defence, to the Chairman

You will have seen a copy of my predecessor’s letter of 26 February 2014 to the Chairman of the European Scrutiny Committee which confirmed that we would endeavour to provide the draft Policy Framework on Systematic and Long Term Co-operation before the Foreign Affairs Council (Defence) met on the 18 November 2014. However, due to their late finalisation and their security classification while in draft form, we were unable to submit them to Parliament prior to their adoption. Equally the confirmed agenda was released to Member States just a few days before the meeting and so there was insufficient time to provide the Committees with our policy position on the agenda prior to the Steering Board. I am now writing to inform you of the positions I took on each of these documents, and to share the Policy Framework with the Committee. The Head of Agency report and the accompanying Explanatory Memorandum have been deposited for scrutiny.

EDA 2015 BUDGET

The proposed 2015 Budget called for zero ‘real’ growth which corresponds to a total increase of €0.6M, and a total budget of €31.1M. However, the UK has been successful in securing a freeze in the budget for the sixth consecutive year which has led the EDA to produce a revised ‘flat cash’ 2015 Budget totalling €30.5M. This reduction reflects our position that the EDA should be realistic about its budget, given the financial climate, and prioritise more effectively within existing resources. The draft budget is still classified as limité so I have submitted an Explanatory Memorandum on the matter with the ‘Official Text Not Yet Received’ caveat. I attach [not printed] a copy of this draft 2015 budget for scrutiny on the understanding that it will not be released to the public until such time as I receive the consent of the Council. I would be grateful for your consideration and agreement.

EDA 2014 BUDGET

You may recall that the European Scrutiny Committee requested further information on any differences between the draft EDA 2014 budget and the finalised version adopted by the Council when they considered the Government’s EM last year. You will note the adopted EDA budget for 2014 clearly reflects the department’s stated objective to freeze the 2014 budget at 2013 levels.
The adopted EDA budget 2014 contains no significant differences to the draft budget that was provided to you, other than the reduction to the EDA’s Operational budget, which purely focuses on funding research projects and study work. This reduction does not impact any of the EDA programmes that the UK participates in.

**POLICY FRAMEWORK**

The 2013 December European Council (DEC) Conclusions called for Member States (MS) to increase transparency and share their defence plans with the aim of fostering more systematic and long-term cooperation. We have worked closely with the EDA to develop a Policy Framework that clearly notes that Member States’ National decision making processes retain primacy over the recommendations set out in the Policy Framework. This should act as a guide to inform Member States interested in conducting potential European Collaborative Defence programmes. We have also ensured that it is a requirement that any European Collaborative Defence programme should be conducted in full coherence with the existing NATO Defence Planning Process (NDPP).

In addition, the Framework includes a commitment to use the EU’s Capability Development Plan, produced by the EDA, to establish the Capability priorities for collaboration and guide the efforts of the EDA. The UK has long argued that a key starting point for cooperation is the development of agreed list of priorities for EU Member States which should be based on mature risk based assessment of our collective shortfalls and which incorporates the outputs of the NDPP.

**EDA HEAD OF AGENCY REPORT**

The European External Action Service (EEAS) Report by the Head of the EDA was presented to the Political and Security Committee (PSC) on the 12 November 2014. As we did not have sight of the report until the 12 November 2014 we were unable to deposit it for scrutiny before its consideration at the Foreign Affairs Council (Defence) on the 18 November 2014.

Overall we are content that the report accurately captures the key EDA activates although I raised concerns over the European Parliament’s new CSDP Pilot Project and in particular the EU Parliament, on its own initiative, wishing to directly fund and instruct the EDA to undertake defence activities which, since defence is a Member State competence, creates a worrying precedent for the role of the Parliament in defence.

**UK REVIEW OF ITS MEMBERSHIP OF THE EDA**

The Government has committed to conduct a comprehensive review of the benefits and risks associated with the UK’s continued involvement in the EDA will inform Parliament prior to any decision relating to either staying in or leave the EDA.

You may recall that the European Scrutiny Committee raised a question about the format of future EDA Steering Board documents. In 2013 the European Council guidelines to the EDA which would normally accompany the draft budget and report from the head of the EDA were replaced by the Foreign Affairs Council (FAC) Conclusions. This arrangement has continued in 2014 as the EDA Steering Board and FAC(D) were held consecutively. However, I fully expect the normal European Council guidelines to be submitted to the EDA Steering Board in the foreseeable future.

26 November 2014

**EUROPEAN UNION CSDP MISSION IN NIGER (UNNUMBERED)**

**Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office**

At its meeting of 17 July the EU Sub-Committee on External Affairs considered the above document, which had already been cleared from scrutiny.

We were pleased to hear of the progress that the EUCAP Sahel Niger mission has made recently, but continue to take a close interest in the work of the mission and the security of the region. Your letter of 28 March noted that Nigerien elections were due in 2015-2016 and that a visible EU presence would increase the chances of a smooth poll. We would be interested to receive updates
on the work of EUCAP Sahel Niger and, in particular, to receive an assessment of the mission’s work following the outcome of those elections.

We look forward to your response in due course.

17 July 2014

EU STRATEGY IN AFGHANISTAN 2014-16 (9467/14)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

At its meeting on 26 June the EU Sub-Committee on External Affairs considered the above document. As you note in your Explanatory Memorandum, there are a number of uncertainties facing Afghanistan and the strategy will therefore need to be flexible in order to adapt to these. Given these uncertainties, we would be grateful if you could provide us with some further information on how the strategy might be developed in light of forthcoming political and military changes.

In particular, we would be interested to receive your assessment on the outcome of the Presidential election in Afghanistan, once it is known, and the impact of that result on the strategy.

As the level of military involvement in Afghanistan will have a significant impact on the potential for progress, we would welcome an update on the UK/Afghan Bilateral Security Agreement and NATO’s Status of Forces Agreement with Afghanistan. We also invite you to provide further details on the two key events to which you referred (the NATO Summit and the Development Conference) and how discussions at these events might affect the strategy.

Finally, we would be interested to know more about the EU’s plans for Afghanistan after 2016 and invite you to elaborate on how longer-term plans for the country, and the Cooperation Agreement for Partnership and Development, will tie together with this strategy for 2014-16.

We have therefore decided to retain the document under scrutiny, pending an update from you on the above, and request a copy of the strategy once it has been agreed.

We look forward to your response in due course.

26 June 2014

Letter from David Lidington MP to the Chairman

You requested as part of the scrutiny process, additional information on the situation in Afghanistan. I agreed to write to you on these topics once a new President of Afghanistan had been announced. In this letter I will set out details on the Presidential election, provide an update on the security situation, an overview of the NATO Summit and London Conference, the EU’s work in Afghanistan and finally, sanctions.

PRESIDENTIAL ELECTIONS

The first round of the Presidential elections took place in April 2014. More than 7 million people turned out to vote, a truly historic moment for Afghanistan. This was followed by a second round contest in June between the two leading candidates from the first round, Dr Ashraf Ghani and Dr Abdullah Abdullah. After some initial dispute over the preliminary results, the candidates agreed to support a full audit of the ballots cast, to be overseen by the Afghan Independent Election Commission, with support from the United Nations. After a protracted and challenging process the audit was completed and Dr Ashraf Ghani was declared the winner.

Dr Ghani was sworn in as President of Afghanistan on 29 September, the first democratic transfer of power in Afghan history. He immediately appointed his electoral rival Dr Abdullah Abdullah as Chief Executive and partner in what will be a National Unity Government. Together over the coming weeks and months, they will take decisions on key appointments and a programme for Government.

The Prime Minister visited Afghanistan on 3 October and was able to meet with President Ghani. It was an opportunity to underline our strong commitment to the new Government; making clear that we see our role in Afghanistan as changing - not ending. President Ghani in his inaugural address set out an ambitious agenda on reform and international partnership. Alongside our own bilateral efforts, we will continue to influence the EU and other Member States to engage constructively with the new
Government at all levels, to ensure that we can take the necessary steps to align and deliver on our shared priorities.

SECURITY

In his Quarterly Statement to the House of Commons on 9 September, the Foreign Secretary spoke of the security challenges that remain in Afghanistan and the evolution of our support beyond 2014.

The Afghan National Security Forces (ANSF) are now leading 99% of combat operations across Afghanistan and proving increasingly effective. We know that to maintain this progress and protect the gains made so far, the ANSF will require sustained support. The UK has committed £70 million per annum to 2017 in support of this crucial activity. The focus of our assistance will be the Afghan National Army Officer Academy, which aims to provide the professional and effective leaders the army needs to maintain security.

The first significant act of the National Unity Government was to sign both the US/Afghan Bilateral Security Agreement (BSA) and the NATO Status of Forces Agreement (SOFA). This was a decisive and welcome move by the new President. These documents provide the legal framework for the presence of international military support post 2014. Their signature ends a long period of uncertainty.

NATO SUMMIT AND THE LONDON CONFERENCE ON AFGHANISTAN

The UK hosted the NATO Summit in Wales on the 4-5 September 2014. The Summit was an important opportunity to mark the achievements and sacrifices of the ISAF mission. A declaration was agreed setting out the long term commitment of NATO partners to Afghanistan, focused on three key strands of activity: a) Resolute Support Mission; b) financial support for the Afghan National Security Forces and c) NATO-Afghanistan Enduring Partnership.

The London Conference on Afghanistan will take place on 24-25 November. The United Kingdom will co-chair the Conference alongside the Afghan Government. The Conference will be a further platform for the international community to demonstrate solidarity with Afghanistan and for the new Government to set out its vision for reform and delivery of our shared priorities.

EU STRATEGY 2014-16 & THE EU/AFGHAN COOPERATION AGREEMENT ON PARTNERSHIP AND DEVELOPMENT (CAPD)

The EU strategy for Afghanistan was endorsed by the Foreign Affairs Council in June 2014. A copy of the agreed strategy and Council Conclusions is attached [not printed].

As set out in my Explanatory Memorandum, the EU strategy is designed principally to ensure that the EU and Member States can adopt a comprehensive and coordinated approach to activities on the ground in support of the Afghan Government. The four key priority areas set out in the strategy will act as an important guide for the EU’s focus and engagement. However, we do recognise that the EU’s approach will need to be responsive to the outcomes of the London Conference, the vision set by the new Government and the challenges of a post conflict environment.

As acknowledged by your Committees, it will be important for the EU and Member States to remain flexible. Over the coming weeks and months, we will encourage partners to work closely with the new Government, adapting our approaches as necessary to ensure that we are working to a strategy that allows us to meet our desired outcomes. This is likely to be an ongoing discussion.

As part of the EU’s long term commitment to Afghanistan it continues to seek agreement on the EU/Afghan Cooperation Agreement on Partnership and Development. If signed, the agreement will provide a legal underpinning for a wide-ranging long-term partnership between the EU and Afghanistan. Now that a new Afghan Government is in place, we will continue to work with the EU and Member States to reach an agreement. Once this work is concluded, as previously agreed with the Committee, I will deposit the relevant documents for your consideration.

SANCTIONS

Finally, I wanted to update you on sanctions. On 11 February, 16 May, 30 July and 20 August 2014, the relevant United Nations Security Council Committee updated and amended the Afghanistan sanctions list. Five new individuals were listed and 14 statements of case updated, for example to include further identifying information. These amendments are in the process of being implemented by the EU; a
process which should conclude shortly. The Parliamentary Committees have had sight of the relevant documents.

16 October 2014

FOREIGN AFFAIRS COUNCIL: 15 AUGUST 2014 (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to inform you about the Foreign Affairs Council on 15 August which my Right Honourable Friend the Secretary of State for Foreign and Commonwealth Affairs attended. The Foreign Affairs Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Baroness Ashton of Upholland. Commissioner Georgieva (Humanitarian Aid) and Commissioner Barnier (Internal Market) were also in attendance.

A provisional report of the meeting and Conclusions adopted can be found at:

IRAQ

Nikolai Mladenov, UN Special Representative to the Secretary General on Iraq, briefed Ministers on the worsening crisis in Iraq. As well as addressing the immediate humanitarian crisis, the international community needed to support the Iraqi political process. Discussion focussed on the humanitarian, political and security situation. There was broad agreement on the need for EU unity and to step up its humanitarian support across the country and political support for Al-Abadi. The Foreign Secretary set out the UK’s deep concern at the humanitarian situation in Iraq and highlighted the security challenges facing Iraq, the region and the EU. The Foreign Secretary also stressed the need to ensure that Al-Abadi formed an inclusive government as quickly as possible. Conclusions were agreed that reiterated the EU’s commitment to Iraq’s unity, sovereignty and territorial integrity, welcomed the commitment of additional European aid, and the decision by individual Member States to respond positively to urgent requests from the Kurdish regional authorities to provide military material.

UKRAINE

Baroness Ashton updated Ministers on President Barroso’s discussions with President Putin and President Poroshenko on 11 August. Ministers then discussed the situation in Ukraine and the impact that Russian sanctions were having on Member States. The Foreign Secretary highlighted the need for the EU to stand together and work on the humanitarian situation, reiterating the importance of international humanitarian standards being upheld. Conclusions were agreed that urged the Russian Federation to put an immediate stop to any form of border hostilities, and to withdraw its forces from the border. The need to find a political, sustainable solution to the crisis had become a matter of urgency, and the Council underlined the importance of the implementation of President Poroshenko’s peace plan. The Council agreed that the restrictive measures taken by the EU against the Russian Federation remained valid and the Council was ready to consider further steps, in light of the evolution of the situation on the ground.

GAZA

Ministers also discussed the latest situation in Gaza. Conclusions were agreed on the Middle East (Gaza) in which the EU strongly welcomed the ceasefire, and commended the considerable efforts of Egypt to broker this and other deals. The EU also called for increased efforts to facilitate immediate and unimpeded access into the Gaza Strip, and for the mobilisation of humanitarian aid for the population of Gaza. The Conclusions highlight the need for a durable ceasefire to address Israeli security concerns and Palestinian requirements regarding the lifting of restrictions on Gaza. They noted the readiness of the EU to contribute to a sustainable solution, including by supporting a possible international mechanism endorsed by the UN Security Council, and through the reactivation and possible extension in scope and mandate of its EUBAM Rafah and EUPOL COPPS missions on the ground.
Baroness Ashton briefed Ministers on Bernardino Leon’s appointment as UN Special Representative for the UN Secretary General on Libya and highlighted the strength of EU engagement on Libya and the need for a continued EU role. In Conclusions, the EU condemned the increasing violence in Libya and its devastating effect on the civilian population. The EU was strongly concerned by the threats the violence represented for regional security and for the EU.

**Ebola Crisis**

Ministers, at the request of Spain, also briefly discussed the Ebola crisis in West Africa. Spain and the Commission briefed Member States on the severity of the epidemic, and on the potential political and security implications of the Ebola crisis.

I am writing in similar terms to Sir William Cash MP, Chairman of the House of Commons European Scrutiny Committee, and Sir Richard Ottaway MP, Chairman of the Foreign Affairs Select Committee, copying to the Clerks of the respective Committees, Les Saunders at the Cabinet Office, Jonathan Worgan and Magdalena Williams, Departmental Scrutiny Co-ordinators, and Victoria Butt, FCO Select Committee Liaison Officer. I am placing a copy of this letter in the library of the House.

I will continue to update Parliament on Foreign Affairs Councils as and when future meetings are held.

22 August 2014

**FOREIGN AFFAIRS COUNCIL AND GENERAL AFFAIRS COUNCIL: 22-23 JULY**

(UNNUMBERED)

Letter from Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills, to the Chairman

I am writing to inform you about the Foreign Affairs Council (FAC) on 22 July, which the Secretary of State for Foreign and Commonwealth Affairs attended, and the General Affairs Council (GAC) on 23 July, which I attended. The Foreign Affairs Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Baroness Ashton of Upholland, and the General Affairs Council was chaired by the Italian Presidency. The meetings were held in Brussels.

Commissioner Füle (Enlargement and European Neighbourhood Policy) was in attendance for some of the discussions at the FAC. Commissioners Šefčovič (Inter-institutional Relations and Administration) and Katainen (Economic and Monetary Affairs) were in attendance for some of the discussions at the GAC.

FOREIGN AFFAIRS COUNCIL

A provisional report of the meeting and Conclusions adopted can be found at:


INTRODUCTORY REMARKS

Baroness Ashton briefed Ministers on the outcome of the E3+3 negotiations with Iran. Both sides worked hard to reach a deal before the deadline of 20 July, but differences remained and more time was needed. Negotiations would continue with a new deadline of 24 November. Ministers agreed to extend limited sanctions relief in return for Iran continuing to dilute/convert its uranium stockpile.

UKRAINE

The discussion on Ukraine focused on the appalling tragedy of the crash of Malaysian Airlines flight MH17. Ministers agreed that the immediate priority was the dignified repatriation of the deceased, full and safe access to the site and an independent international investigation. There was agreement that Russia needed to do more to influence the separatists to provide free and unimpeded access to the site, and to prevent the flow of arms and equipment to the separatists.

Ministers discussed means of putting pressure on Russia and the FAC agreed to accelerate the preparation of new sanctions, building on those agreed at the European Council of 16 July. Ministers
agreed Conclusions which said that the Council would, before the end of July, agree entities and persons to be listed under the enhanced criteria; expand the EU’s restrictive measures with a view to targeting individuals supporting or benefitting from Russian decision-makers responsible for the destabilisation of Eastern Ukraine; and adopt additional measures to restrict trade with, and investment in, Crimea and Sevastopol. The FAC tasked the Commission and the European External Action Service to finalise preparatory work on possible targeted measures and to present proposals for action, including on access to capital markets, defence, dual-use goods and sensitive technologies, including in the energy sector.

The FAC also approved a Council Decision to establish a civilian CSDP Mission in Ukraine and to lift the temporary suspension of arms exports to Ukraine for equipment that might be used for internal repression, which had been agreed by the FAC on 20 February.

**MIDDLE EAST PEACE PROCESS/GAZA**

Ministers had a substantial discussion on the situation in Gaza and on the Middle East Peace Process. Discussions focused on the EU’s response to Hamas’s rocket attacks and Israeli action in Gaza. There was agreement on the need for an immediate ceasefire and EU support for the wider peace process. Ministers discussed whether this was the time to change language on the EU’s parameters for a final status deal. The Foreign Secretary argued that the EU’s focus should be on supporting a ceasefire. Council Conclusions were agreed that expressed concern over the crisis in Gaza, condemned Hamas’s rocket attacks, called for a sustainable solution to Gaza, offered EU support for the wider peace process, and urged Israel to halt settlement expansion.

**IRAQ**

Ministers discussed the crisis in Iraq, and agreed to maintain the pressure on Iraqi leaders to form a new government quickly that could unite Iraq in the fight against terrorism.

**AOB ITEMS**

The situation in Libya was raised, highlighting the continuing insecurity there and the impact that this had on the security, including border security, of EU Member States, especially through migration. Ministers also noted the outcome of the 16 July Donors Conference on the flooding in Bosnia and Herzegovina and in Serbia, which had raised €1.8bn.

**OTHER BUSINESS**

Ministers agreed without discussion a number of other measures. The Council:

— Approved the EU common position for the 11th EU-former Yugoslav Republic of Macedonia Stabilisation and Association Council on 23 July 2014.

— Endorsed the regular review of the EU list of terrorist persons, groups and entities subject to specific measures to combat terrorism.

— Adopted technical changes to the legal acts setting out restrictive measures against Iraq, which were originally imposed in implementation of UN sanctions.

— Endorsed preparations for the annual review of the EU restrictive measures directed against certain persons and entities threatening the peace, security or stability of Guinea-Bissau.

— Amended the EU restrictive measures imposed in view of the situation in Libya.

— Reinforced EU sanctions against the Syrian regime.

— Took note of the sixth implementation report for Pakistan of the plan for strengthening EU action in Afghanistan and Pakistan adopted in October 2009.

— Endorsed the six-monthly progress report on the implementation of the EU strategy against the proliferation of weapons of mass destruction, covering the first semester of 2014.
— Extended the mandate of the EU mission on regional maritime capacity building in the Horn of Africa, EUCAP NESTOR, until 12 December 2016.
— Adopted a decision on the aspects of the use of the European Global Navigation Satellite System affecting the security of the European Union.
— Allocated a budget of €756,000 to the European Security and Defence College for the period from 1 August 2014 to 31 December 2015.
— Took note of the High Representative / Head of the European Defence Agency’s progress report on the implementation of the December 2013 European Council Conclusions.

GENERAL AFFAIRS COUNCIL
The GAC focused on: the Italian Presidency Work Programme; Implementation of European Council Conclusions; the Europe 2020 Strategy Mid-Term Review; and Lithuania’s accession to the Economic and Monetary Union. A provisional report of the meeting can be found at: http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/EN/genaff/144128.pdf

ITALIAN PRESIDENCY WORK PROGRAMME

I welcomed Italy’s ambitious programme, and its strong support for measures to produce growth and jobs, particularly around better regulation and the single market. I also welcomed the Italian intention to discuss the EU’s future priorities as part of their Presidency.

IMPLEMENTATION OF EUROPEAN COUNCIL CONCLUSIONS
The GAC discussed its role in ensuring that actions mandated in European Council Conclusions are properly implemented, and considered ways to improve the process in the future, such as through regular progress reports.

EUROPE 2020 MID-TERM REVIEW
The roadmap sets out how work will be taken forward under the Italian presidency and prepares the ground for the 2020 Strategy Review in 2015.

ACCESSION OF LITHUANIA TO THE ECONOMIC AND MONETARY UNION
The GAC adopted three legal acts to confirm Lithuania’s Accession to the Economic and Monetary Union and allow it to adopt the euro on 1 January 2015. This followed a recommendation of euro area Member States at ECOFIN in June and endorsement of the Commission’s proposal at the June European Council. The Commission’s Convergence Report of 4 June 2014 assessed that Lithuania meets all the convergence criteria for adopting the euro.

30 July 2014
Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to inform you about the General Affairs Council (GAC) in Brussels on 29 September, which I will attend.

The September GAC is due to be chaired by the Italian Presidency of the Council and should focus on: the preparation of the European Council on 23 and 24 October 2014; the follow-up to the European Council on 26 and 27 June 2014; and a Commission Communication on the EU Strategy for the Adriatic and Ionian region.

The Preparations of the October European Council

The GAC will prepare the 23 and 24 October European Council, which the Prime Minister will attend. The October European Council agenda is expected to include: the 2030 Climate and Energy package (including energy security); Economic issues; and external relations issues (likely to include Ukraine).

Follow-up to the June European Council

The GAC will follow up on the June European Council conclusions which outlined a ‘Strategic Agenda for the Union in Times of Change’. The primary focus of this GAC discussion will be on growth and jobs, the first priority outlined in the document. The UK’s priorities in this area are on strengthening and deepening the Single Market, increasing access to finance for SMEs, reducing regulatory burdens and agreeing ambitious trade deals, including TTIP.

The Commission Communication on the EU Strategy for the Adriatic and Ionian Region

The GAC is due to consider a Commission Communication on the proposed EU Strategy for the Adriatic and Ionian region and agree Council Conclusions.

I am writing in similar terms to Sir William Cash MP, Chairman of the House of Commons European Scrutiny Committee, and the Rt Hon Sir Richard Ottaway MP, Chairman of the Foreign Affairs Select Committee, copying to the Clerks of the respective Committees, Les Saunders at the Cabinet Office, Sophie Warner-Fog and Magdalena Williams, Departmental Scrutiny Co-ordinators, and Jonathan Layfield, FCO Select Committee Liaison Officer. I am placing a copy of this letter in the library of the House.

I will provide an update after the GAC has taken place.

26 September 2014

Letter from David Lidington MP to the Chairman

I am writing to inform you about the EU General Affairs Council (GAC) that took place in Brussels on 29 September, which I attended.

The September GAC was chaired by the Italian Presidency of the Council and focused on: the preparation of the European Council due to take place on 23 and 24 October 2014; the follow-up to the European Council on 26 and 27 June 2014; and a Commission Communication on the EU Strategy for the Adriatic and Ionian region.

Interim Commissioner Nelli Feroci was in attendance for some of the discussions at the GAC. A provisional report of the meeting can be found at:


The Preparation of the October European Council

The GAC discussed the annotated draft agenda for the 23 and 24 October European Council, to be attended by the Prime Minister. This European Council is expected to focus on: climate and energy, including the 2030 package and energy security; economic issues; and external relations issues, to be determined nearer the time.
I used the meeting to press for an ambitious 2030 climate and energy deal in October which gives Member States flexibility to achieve the necessary reductions in greenhouse gas emissions in the most cost effective way, and includes substantial measures to improve EU energy security as a core element of the package.

On economic issues, I reminded the Council of the key role it has in ensuring that Leaders’ strategic priorities for the EU are fully implemented. I agreed with others that investment was needed to support EU growth, but it should be through private rather than new public means and make use of existing instruments.

FOLLOW-UP TO THE JUNE EUROPEAN COUNCIL

The GAC held its first discussion of the implementation of the ‘Strategic Agenda for the Union in times of change’ that was agreed by Leaders at the June European Council this year. The focus at this GAC was the chapter on growth, jobs and competitiveness; future GACs will examine the implementation of other Strategic Agenda chapters.

I welcomed the Italian initiative to discuss implementation of the Strategic Agenda and said that the Council should continue to monitor implementation. I also suggested that further detailed evaluation of progress across economic sectors was needed, for example on better regulation. The Council should also consider its structure in relation to the new Commission’s work programme to take forward the economic growth agenda in the most effective way.

EU STRATEGY FOR THE ADRIATIC AND IONIAN REGION

The GAC adopted conclusions on the Commission communication on the EU strategy for the Adriatic and Ionian region.

OTHER ITEMS

The GAC adopted ‘A’-items including an item on the statute and funding of European political parties. In line with the UK’s consistent opposition to these Regulations, I voted against this A-item. Despite improvement, the Regulations are still flawed.

ANY OTHER BUSINESS

The Presidency informed the Council about the first meeting of the Friends of the Presidency Group on improving the functioning of the EU which took place on 25 September 2014.

9 October 2014

HR/VP PROGRESS REPORT ON IMPLEMENTING DECEMBER 2013 EUROPEAN COUNCIL CONCLUSIONS (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I wrote to you on 2 June 2014 with an update on the implementation of the December European Council Conclusions on defence and on the Comprehensive Approach. I promised a further update to accompany the HR/VP progress report on the implementation of the Council Conclusions, which has now issued.

The attached [not printed] document is being provided to the Committee under the Government’s authority and arrangements agreed between the Government and the Committee for the sharing of EU documents carrying a limite marking. It cannot be published, nor can it be reported on in any way which would bring detail contained in the document into the public domain.

The report gives a useful and broadly factual update of the progress on the numerous taskings from the December Council. This report was discussed in the 16 July Political & Security Committee (PSC) and was noted at the 22 July Foreign Affairs Council (FAC). The document was not for open for negotiation.

Whilst there has been limited further progress since my last update to the Committee, the Government is pleased with developments in areas such as the Joint Communication on the
Comprehensive Approach, Maritime with the EU Maritime Security Strategy (EUMSS) and on the
defence industry with the Commission’s Roadmap on implementation, which have all been submitted
for scrutiny. Many work streams are still in their preparatory phases. The Government is, however,
encouraged by the Commission and EDA’s efforts to date to work with Member States on December
Council implementation, particularly consultation on capabilities and the defence industry. EU
partnerships have also been strengthened through holding further consultations, particularly with the
UN, NATO and African Union.

We have also worked hard to ensure that December Council taskings with direct relevance to
NATO have been developed in such a way as to reduce unnecessary duplication and enhance
complementarity. Areas where we have successfully pushed for references to coordinate with
international institutions, particularly NATO, include the EUMSS, Policy Framework for Defence
Cooperation and Cyber defence.

In the Autumn we will continue to work towards operationalising the Comprehensive Approach,
particularly on: Transition Strategies; concluding the review of CSDP financing and the separate
Athena mechanism review; maintaining pressure on the EEAS to enable roll-out of the Shared Services
agenda; operationalising the EU MSS with an Action Plan to be agreed by the end of the year; and we
will play an active role in the forthcoming review of training policy. Operation Atthea’s executive
mandate is due for renewal and EU member states will consider next steps in the Central African
Republic.

Work also continues on defence capabilities, including on member state led collaborative projects
such as Air-to-Air Refuelling, Remotely Piloted Aircraft Systems (RPAS) and Governmental SatCom.
The UK will be involved only where we see added value. Other capability areas in development are
the Cyber Defence Policy Framework. Our priority here is to ensure that is focused on protecting
information/networks which support CSDP, or raising awareness of cyber amongst member states
and encouraging cooperation with international partners, particularly NATO. Work on the Policy
Framework for Defence Cooperation is gathering pace. We will ensure that member states retain
control over its development and that its development is in full coherence with NATO planning
processes.

On the defence industry, we will remain fully engaged as work progresses to develop the actions
within the Commission’s Roadmap for Implementation. We will continue to work closely with the
Commission, other Member States (including the LOI\(^2\)) and the European Defence Agency (EDA)
and industry to support areas we like (for example, support to SMEs, increasing access to Commission
funding for R&D) and to resist the areas we consider represent the greatest risk.

As I previously highlighted, during these negotiations there will be certain challenges for the UK, but
we will work to negate risks and challenge areas which might limit our ability to procure the best
capability for our armed forces, undermine the transatlantic relationship or interfere with matters of
national sovereignty. EU Defence Ministers will meet informally on 9 September to discuss CSDP and
December Council progress and at the FAC (Defence) and EDA Steering Board on 18 November

Events in Ukraine have highlighted the importance of NATO and EU cooperation and coordination.
The Government will use the upcoming NATO Summit to further highlight NATO’s primacy in
European Defence, whilst recognising that the EU has a niche and complementary role to play and the
need for all Euro-Atlantic institutions to continue to work together to address shared security
challenges.

Finally, we and EU partners are beginning to consider planning for the June 2015 European Council
which “will assess concrete progress on all issues...and provide further guidance, on the basis of a report
from the Council drawing on inputs from the Commission, the High Representative and the European Defence
Agency”. We will keep the Committee informed.

28 August 2014

1. Letter of Intent Grouping of leading EU defence industrial countries – UK, France, Germany, Italy, Spain and
   Sweden
Letter from the Chairman to Lynne Featherstone MP, Parliamentary Under-Secretary of State, Department for International Development

The Sub-Committee on External Affairs considered the above proposal at its meeting of 16 October and decided to clear it from scrutiny. However, we do have grave concerns about the funding gap between payments and commitments to ECHO which we would like further information on.

In particular, how has the €466 million financing gap impacted the work of ECHO? Are there programmes that will have to be deferred and will others have to be stopped altogether? If so, can you offer us more details of which ones?

In addition, could you please provide us with details of the total funding gap between payments and commitments for the development instruments under Heading 4 of the EU Budget and the particular programmes that will be adversely affected?

We would be grateful if your reply could be as detailed as possible including the exact sums and programmes involved.

We look forward to your response in the usual ten working days.

16 October 2014

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 16 October regarding the European Commission’s 2013 Annual Report on Humanitarian Aid and Civil Protection.

The UK is working with like-minded Member States in Council to identify a sustainable solution to issues within the EU budget. At present discussions are ongoing.

With regard to the amount spent by the Commission in 2013 beyond the allocated budget, ECHO took several steps to try to manage the impact of this on their operations for 2014. It reduced the level of pre-financing to NGO partners and international organisations from 80% to 50%. It also imposed a ‘freeze’ on final payments in contracts. Additionally, ECHO has received €100m in budgetary reinforcements over 2014. We urge the commission to step up its efforts.

In terms of the gap between payments and commitments for the Development Cooperation Instrument (DCI) under Heading 4 of the EU Budget, the agreed commitments level for 2014 is €2.3 billion while the payment level is €1.7 billion. Similar gaps have been carried for many years; this has meant that the first call on each year’s resources has been the overhang of financial obligations from previous years.

The Commission estimates that the available payment appropriations this year are not sufficient to cover all the obligations, with a currently estimated shortage of around €1.3 billion (38% of the available budget of €3.4 billion). It proposes to give priority to payments that have to be made urgently and to safely delay some other payments to 2015. In this regard, we understand that it plans to delay some budget support payments.

The UK has made it clear that the current financial problems cannot continue to be carried forward into the 2015 and future budgets and is taking a robust line in the current budget negotiations.

3 November 2014

Letter from the Chairman to Lynne Featherstone MP

Thank you for your letter of 3 November on the above report, which the Sub-Committee on External Affairs considered at its meeting of 19 November.

We are grateful for the information provided in your letter on the gap between commitment appropriations and payment appropriations. However, as we requested in our original letter, we would welcome further clarification on the possible impact of the funding gap on ECHO’s work. You say that similar gaps have been carried for many years and have been managed by the Commission. Does this mean that you are satisfied that, despite the gap between commitments and programmes, there will be no impact on ECHO’s programmes? Furthermore, are you satisfied that the steps taken by the Commission, such as reducing pre-financing to NGOs and delaying budget support payments,
will not have a negative impact on ECHO’s work? If not, we would be grateful to understand which programmes will be affected and how.

We look forward to your response in the usual ten working days.

20 November 2014

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 20 November regarding the European Commission’s 2013 Annual Report on Humanitarian Aid and Civil Protection.

Your letter asked for further clarification on the possible impact of the funding gap on ECHO’s work. The steps that ECHO took in 2014 to manage the shortfall, which were outlined in the previous letter, such as reducing levels of pre-financing and phasing contracts, have had an impact on ECHO’s implementing partners. It is normal practice for ECHO to phase contracts across the year and to shift resources to meet higher priority needs. However, the size of the discrepancy between payments and commitments in 2014 meant that several contracts were delayed and reduced in a DG-wide prioritisation exercise which ring-fenced resources for life-saving interventions. Resilience programming has, as a result, been disproportionately affected.

NGOs report that late and unpredictable payments have made it difficult for them to plan and manage their programmes effectively. Whilst some of the larger NGOs have been able to cover gaps by shifting resources from other programmes, the impact has been greater on smaller organisations. NGOs presented six case studies to DFID which outline some of the challenges they have faced. These suggested that ECHO’s financial situation caused a reduction in the delivery of goods and services, compromises in programme quality and gaps in project implementation alongside the bureaucratic burden of having to cut and then re-hire staff and in re-writing project proposals and budgets to fit the smaller levels of funding.

ECHO has not presented an assessment of the impact of its financial position across all of their projects and programmes. DFID is, therefore, not in a position to verify the impact of the funding gap across ECHO’s portfolio.

Going forward, there will be a further negative impact on ECHO’s work if the funding issue is not rectified and the UK will continue to work with like-minded Member States in Council to identify a sustainable solution to this ongoing issue.

4 December 2014

INTRODUCING EXCEPTIONAL TRADE MEASURES FOR COUNTRIES AND TERRITORIES PARTICIPATING IN OR LINKED TO THE EUROPEAN UNION’S STABILISATION AND ASSOCIATION PROCESS AND SUSPENDING ITS APPLICATION WITH REGARD TO BOSNIA AND HERZEGOVINA (11398/14)

Letter from the Chairman to Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills

Thank you for your Explanatory Memorandum on the above Regulation which was considered by the EU Sub-Committee on External Affairs at its meeting on 9 September.

The proposal has already been cleared from scrutiny, but is of particular interest in light of the Committee’s ongoing inquiry into EU-Russia relations. We have received evidence outlining Russia’s concerns that an EU free trade agreement with neighbouring countries could have a detrimental impact on Russian trade with those countries and that the Eurasian Customs Union is incompatible with EU free trade agreements. We were therefore wondering whether any account has been taken of these issues when developing these proposals. Has there been an impact assessment of how the EU’s exceptional trade measures as part of the package of the Stabilisation and Association process in the Western Balkans might impact Russia’s trade with those countries?

Have the Russians made any representations to the EU, or to the Western Balkan countries, on the matter of the exceptional trade measures or indeed of the Stabilisation and Association process? Finally, is there any forum that engages the Russians, the EU and the countries of the Western Balkans in mutual dialogue on shared economic interests?
We look forward to receiving your response within the usual 10 working days.

9 September 2014

INVESTOR-STATE DISPUTE SETTLEMENT TRIBUNALS (11868/12)

Letter from the Chairman to Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills

Thank you for your letter of 3 June, which was considered by the EU Sub-Committee on External Affairs at its meeting on 26 June.

We are grateful to you for providing further details on the ongoing dispute between the European Commission and member states regarding the extent of EU competence over investment. This has clearly been a long-running dispute but we are glad to hear that you feel that the Regulation on Financial Responsibility will not prejudice any future court ruling.

As you note, this proposal is of major importance, particularly in the light of the Committee’s recent TTIP inquiry and, as we have noted in previous correspondence, it is regrettable that the Committee’s scrutiny reserve was overridden in this instance. However, we are grateful to you for providing further information and we have decided to now formally clear this document from scrutiny.

We continue to take a close interest in this matter and would be grateful if you could provide us with further updates on any developments relating to the Member States’ ongoing dispute with the Commission about EU competence on investment matters in due course.

26 June 2014

IRAN: SECURING A COMPREHENSIVE AGREEMENT (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I last wrote to you about the Iranian nuclear issue after the Joint Plan of Action (JPoA) began on 20 January (please see my attached [not printed] letter of 20 January).

On 20 July, the six month period of the JPoA ends. The E3+3 are currently working hard with Iran in Vienna to agree a deal before this deadline. Talks have been constructive, and we have begun to draft the text of a comprehensive agreement. However, significant differences remain between the two sides. A deal is far from guaranteed, and talks are likely to continue up to the 20 July deadline.

Whether we secure a deal or not, Council Regulation (EU) No 267/2012 will need to be amended immediately after 20 July. This is when the JPoA expires, and the interim EU sanctions relief (provided to Iran under the JPoA) comes to an end. Given this, and that it is unlikely we will know the outcome of negotiations until 20 July, it is likely that I will need to approve adoption of any amendments to the Council Regulation without being able to give the Committee the opportunity to scrutinise the document in advance of adoption.

Keeping your Committee informed on issues concerning EU restrictive measures is something I take seriously. Given the circumstances, I hope that the Committee will understand the likely need to override on this occasion.

15 July 2014

ITALIAN EU PRESIDENCY 1 JULY TO 31 DECEMBER 2014 (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

In line with our commitment to proper scrutiny of EU business, the Government has promised to keep Parliament informed on issues relating to each EU Presidency programme.
I attach [not printed] a summary of the Italian priorities for their Presidency of the Council of the European Union, as well as a provisional calendar of Ministerial meetings and key events. I have also placed a copy of the summary in the library of the House, in the interest of informing all members. As always, I very much look forward to hearing your views and engaging with you on the key issues.

The Italians have set out three broad areas for their Presidency: Growth, Migration and Mediterranean (encompassing foreign policy). There is a good degree of alignment between the UK’s priorities and those of the Italian Presidency, particularly on policies aimed at promoting growth. The Italians will seek to promote initiatives to boost growth and investment, including support for SMEs. Other priorities that we share include deepening the Single Market and Better Regulation. The Italians will also want to make significant progress on TTIP negotiations, an ambition that we support.

Under the migration agenda, we expect the Italians to push for a more coordinated EU response to the large influx of migrants from the Near East and Africa that are crossing the Mediterranean Sea. They are keen to increase financial support for search and rescue operations and discuss options for burden sharing. We will continue to stress to them the importance of practical cooperation and action in countries of origin and transit.

On foreign policy, the Italians are likely to focus on the Mediterranean neighbourhood, particularly on Syria, Libya and Egypt. Like us, they are pro-EU Enlargement, and strong supporters of Albania and Serbia. We would also expect them to take a leading role on Ukraine should the crisis deepen. We will support the Italians across the full range of our shared Western Balkans policy priorities.

I will of course be happy to provide your Committee with more information on any of these issues or the Presidency priorities, and I and my officials stand by to assist with an informal briefing session.

24 June 2014
The Government considers that the opt-in is triggered by the above mentioned Framework Agreements because they include access to Fiscalis 2020 and Customs 2020. Both Fiscalis 2020 and Customs 2020 contain JHA obligations related to fighting fraud and as such we consider that the JHA opt-in is engaged. The Government has decided to opt into the decisions on signature and conclusion because the UK already participates in these underlying programmes.

As you are aware the Code of Practice on enhanced scrutiny of Justice and Home Affairs (JHA) asks that the Written Ministerial Statement (WMS) is laid within 2 weeks of the opt-in letter issuing to the EU. Taking into account Parliament is in recess on the deadline of 16 August, we are planning to lay a WMS in Parliament at the first possible opportunity, i.e. on Monday 13 October.

1 August 2014

PARTICIPATION OF ARMENIA IN UNION PROGRAMMES (14062/12, 14061/12)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to inform the Committee that the above Council Decision on the Conclusion of a Protocol to the Armenia’s Partnership and Cooperation Agreement has now been cleared by the European Parliament and was adopted by the Council on 21 February 2014. The draft Council Decisions on signature and conclusion of the Protocol to the EU-Armenia Partnership and Co-operation Agreement (PCA) on the extension of Union programmes to Armenia were cleared by the Commons’ European Scrutiny Committee on 17 October 2012 as not legally or politically important. On 5 December 2012, the Lords’ European Union Select Committee cleared the document at the Chairman’s sift.

This Protocol to the EU-Armenia Partnership and Co-operation Agreement (PCA) will allow Armenia access to the full range of EU programmes and agencies and has been extended to Armenia through its participation in the European Neighbourhood Policy (ENP).

In September 2013, Armenia’s declared its intention to join the Russian-led Eurasian Customs Union. This meant Armenia could no longer continue towards signing an Association Agreement as the Deep and Comprehensive Free Trade Area element was incompatible with membership of the Customs Union. However, Armenia has been clear that it wishes to continue engaging with the EU as far as its Eurasian Customs Union commitments will permit. Closer political and economic association with the EU remain the most effective way to promote reform and modernisation in Armenia. The Government therefore supports the signature, provisional application and conclusion of this proposed Protocol.

10 June 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter of 10 June 2014 on the Partnership and Cooperation Agreement (PCA) with Armenia, which was considered by the EU Sub-Committee on External Affairs at its meeting on 26 June.

The Committee noted with interest the fact that, since the initial proposal for the PCA was considered in December 2012, Armenia has declared its intention to join the Eurasian Customs Union but that it also wishes to engage with the EU as far as its obligations will allow. You note in your letter that “closer political and economic association with the EU remain the most effective way to promote reform and modernisation in Armenia”. The Committee would be interested to hear your views on whether that approach applies towards other countries who were formerly part of the
Eastern Partnership but are now members of the Eurasian Customs Union, or whether there is a need for a different approach which takes account of the formation of the Eurasian Customs Union.

For example, should the EU’s approach towards Armenia, Ukraine and Belarus continue to be to promote reform using the EU’s existing models and instruments, or are different tools now required to take account of the Eurasian Customs Union? How confident are you that those tools can deliver the necessary reforms? Is there now a need for a more strategic and differentiated approach towards countries which have joined the Eurasian Customs Union? The Committee will be exploring issues such as these in its forthcoming inquiry into the EU and Russia, so would welcome hearing your views on these matters.

We look forward to receiving your response in due course.

1 July 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 1 July 2014 on the Partnership and Cooperation Agreement (PCA) with Armenia, and the EU’s relations with Armenia, Belarus and Ukraine.

Armenia, Belarus and Ukraine all have different relationships with both the EU and Eurasian Economic Union (EEU). Belarus will become a member of the EEU when it is established on 1 January 2015, Armenia plans to join, but Ukraine will not joining the EEU. At the same time, all three countries continue to be members of the EU’s Eastern Partnership, which enables partner countries to have a closer relationship with the EU across a range of fields including political, economic and cultural.

Armenia and Ukraine are committed to closer relations with the EU. Ukraine signed the political chapters of its Association Agreement (AA) with the EU on 21 March and the remaining chapters on 27 June (when Georgia and Moldova also signed their AAs). When fully implemented, these agreements will reinforce our shared values of respect for human rights, democracy and the rule of law.

Although Armenia decided last September not to pursue its AA (and Deep and Comprehensive Free Trade Area (DCFTA)) and instead signalled its intention to join the EEU, it remains keen to have a close relationship with the EU. I believe that it is in our strategic interest for the EU to encourage Armenia into a Euro-Atlantic alignment and further develop and strengthen cooperation aimed at, amongst other things, democratic and judicial reform, the promotion of human rights and the rule of law, the fight against corruption, and the further improvement of the framework for enhanced trade and investment.

You make a valid point regarding whether the EU is able to promote reform using the current tools at its disposal with those countries not moving towards AAs or whether different instruments are required. The EU and Member States are committed to continued, and where possible, closer engagement with current non-AA Eastern Partnership members Belarus, Armenia and Azerbaijan. I support this.

The EU and Member States are currently considering what form this cooperation should take, including the option of differentiated, pragmatic and flexible approaches tailored to individual countries requirements. This will be on the agenda for the next Eastern Partnership Summit, to be held in Riga in May 2015. Any future engagement will continue to have core values, including respect for democracy and human rights at its heart. It is also worth noting that until negotiations are completed between the future members of the EEU it may not be possible to completely determine all the commitments of Armenia and Belarus to that organisation, and therefore the full scope of their future cooperation with the EU.

17 July 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter of 17 July, which the EU Sub-Committee on External Affairs considered at its meeting of 24 July.

We are grateful to you for providing further information and note that the EU and its Member States are still currently considering what form the EU’s cooperation with countries in the neighbourhood should take. The Committee continues to take a close interest in this matter, especially as it is so closely related to the Committee’s ongoing inquiry into the EU and Russia. We would therefore be grateful if you would continue to provide us with updates on relevant discussions or negotiations regarding these countries in the run up to the Eastern Partnership Summit in May 2015.
We look forward to your response in due course.

24 July 2014

PARTICIPATION OF THE REPUBLIC OF LEBANON IN UNION PROGRAMMES (9248/14, 9264/14)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

Thank you for your Explanatory Memoranda of 2 June on the above proposals, which were cleared at the Chairman’s sift on 10 June and considered by the Sub-Committee on External Affairs on 26 June.

We note that the Government contends that its opt-in rights apply in part to these agreements and that relevant deadlines apply as a consequence. As you know, we do not consider that the opt-in Protocol is triggered when a proposal does not specifically cite a Title V legal base. We therefore wish to make clear that we do not accept the opt-in Protocol applies to these agreements in the absence of a Title V legal base, so none of the deadlines mentioned apply. We think the Government’s opt-in policy in these circumstances is misguided, being without legal foundation and liable to lead to legal uncertainty.

We do not expect an answer to this letter.

26 June 2014

Letter from David Lidington MP to the Chairman

As set out in my Explanatory Memoranda of 2 June, the deadline for the eight week enhanced Parliamentary Scrutiny of these agreements ended on 27 June. The Chair of the European Union Committee cleared our submission on the documents on 10 June at the Chairman’s sift from scrutiny, which I am grateful for.

The Government considers that the opt-in is triggered by the above mentioned Framework Agreements because they include access to Fiscalis 2020 and Customs 2020. Both Fiscalis 2020 and Customs 2020 contain JHA obligations related to fighting fraud and as such we consider that the JHA opt-in is engaged. The Government has decided to opt into the decisions on signature and conclusion because the UK already participates in these underlying programmes.

As you are aware the Code of Practice on enhanced scrutiny of Justice and Home Affairs (JHA) asks that the Written Ministerial Statement (WMS) is laid within 2 weeks of the opt-in letter issuing to the EU. Taking into account Parliament is in recess on the deadline of 16 August, we are planning to lay a WMS in Parliament at the first possible opportunity, i.e. on Monday 13 October.

REDUCTION OR ELIMINATION OF CUSTOMS DUTIES ON GOODS ORIGINATING IN UKRAINE (13466/14)

Letter from Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills, to the Chairman

I am writing with regard to the proposal for a Council Regulation amending Regulation (EU) No374/2014 on the reduction or elimination of customs duties on goods originating in Ukraine.

On 16 April 2014, the Council of the European Union and European Parliament adopted Regulation (EU) No364/2014 to provide autonomous trade preferences for Ukrainian goods exported into the EU market. These preferences were to last only until 01 November 2014, at which point it was anticipated that the Deep and Comprehensive Free Trade Area (DCFTA) elements of the EU/Ukraine Association Agreement, including these tariff reductions, would be provisionally applied. Following the trilateral discussions held between the EU, Ukraine and the Russian Federation on 12th September, it was proposed that the DCFTA elements of the Association Agreement would not be applied until 01 January 2016, and that the EU would extend the autonomous trade preferences to Ukraine to last for the interim period. By extending these autonomous trade preferences, it is the intention of the EU to support the political and economic stability of Ukraine following the recent months of upheaval in the country. The attached [not printed] Explanatory Memorandum explains the issue in full.
Ukraine is facing a severe economic situation following months of fighting in the east of the country and continuing economic pressure from Russia. Additionally, this extension of autonomous trade preferences is very closely linked to the Council Decision to defer implementation of the DCFTA elements of the EU/Ukraine Association Agreement, which must be adopted by 30 September to enable provisional application of the non-trade elements of the Association Agreement on 01 November. Therefore, the Commission is eager that this new Regulation should be adopted by the Council and Parliament as soon as possible to clearly signal the EU’s economic and political support for Ukraine at this time.

Due to these considerations, it is likely that the Council will be called on to adopt the measure in the immediate future, before the House returns from recess and your Committee has had an opportunity to scrutinise the proposed Regulation. If this is the case, I will need to override scrutiny in this instance in order to allow the Council Regulation so that the autonomous trade preferences for Ukrainian goods can be extended in accordance with the political imperative of sending a clear signal of support to Ukraine in the given timeframe.

This measure is in line with the UK’s firm and clear policy of support for Ukraine in the exercise of its sovereign decision move towards closer integration with the EU. As the Explanatory Memorandum makes clear, it is not expected that this measure will greatly impact economically on the UK. Therefore, I trust that you will appreciate my decision to agree to the adoption of this Regulation without your scrutiny if adoption is indeed required before the House returns.

30 September 2014

Letter from the Chairman to Lord Livingston of Parkhead

At its meeting of 16 October, the EU Sub-Committee on External Affairs considered the above document and the reasons given in the Explanatory Memorandum for the override of the scrutiny reserve. In the circumstances, the Committee considers it reasonable for the Government to proceed without the usual parliamentary scrutiny procedures and we are grateful to you for explaining your reasons.

For the purposes of our inquiry we would be grateful if you would keep us updated in due course on two related issues.

First, we recall that you wrote on 22 May:

At the 12 May Foreign Affairs Council the EU reiterated its strong condemnation of the illegal annexation of Crimea and Sevastopol by the Russian Federation and welcomed the Commission’s initial evaluation of the legal consequences of the annexation of Crimea that could include but not be limited to economic, trade and financial measures. The FAC asked the Commission to take forward more detailed thinking so that measures could be implemented as swiftly as possible. The UK is intimately engaged in this.

We would be grateful to understand this “detailed thinking” when it has been achieved and what measures will be implemented, swiftly or otherwise.

Further, we note that the assessment of the Commission of the benefits accruing to Ukraine as a result of the reduction or elimination of tariffs with the EU remains unchanged since April (“nearly EUR 500 million (£390.5 million) in tariff reductions, of which almost EUR 400 million (£312.4 million) would accrue to the agricultural sector”). However, of course, the area over which Kyiv now exercises effective control has considerably diminished. Therefore, if a revised assessment should become available or if you have a view on the accuracy of these figures, we would be grateful to receive it.

I look forward to your response in due course.

16 October 2014
Letter from Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills, to the Chairman

I am writing with regard to the Council Decision and Council Regulation concerning restrictions on the import into the EU of goods originating from Crimea and/or Sevastopol and on the direct or indirect financing or financial assistance, insurance or reinsurance related to the import of such goods.

The attached [not printed] Explanatory Memorandum explains the issue in full but, in sum, the intention of this ban is to implement an EU-wide trade policy that is in line with the clear messages made by the UK and our EU partners that we view the annexation as invalid and that Crimea and Sevastopol remain part of Ukrainian sovereign territory.

Due to the on-going Ukraine crisis and the EU’s need to respond to Russian actions, the European Council needed to agree the above Council Decision and Implementing Regulation within a very short space of time to send a clear message on the illegal nature of the annexation; furthermore the documents had to remain classified throughout the negotiating process. I was therefore in the position of having to agree to the adoption of this Council Decision and Implementing Regulation before your Committee had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning EU trade regulations is something I take seriously and the need for the override of scrutiny on this occasion was regrettably unavoidable.

4 July 2014

Letter from the Chairman to Lord Livingston of Parkhead

At its meeting of 24 July, the EU Sub-Committee on External Affairs considered the above document and the reasons given in the Explanatory Memorandum for the override of the scrutiny reserve. In the circumstances, the Committee is not clear why, considering that this proposal has been under discussion for a few months, it has now proven necessary to speed the proposal through Council and thereby override parliamentary scrutiny procedures. As for the matter of classification, the Minister for Europe already apprised the Committee of the upcoming export ban in June. The Council Decision and Regulation do not appear to us to necessitate classified negotiation. Therefore, we would be grateful to receive further clarification on the necessity for an override.

On the matter of the export ban, has there been any sort of impact assessment or evaluation undertaken on the likely impact on the Crimean economy and consequences for the Crimean people? There is a danger that by imposing trade and economic sanctions on Crimea, the effect will be to disproportionately hurt the Crimean economy and its people, without influencing Russian political calculations. We hope that this trade embargo is not an open-ended policy but has realistic and achievable goals which will be evaluated regularly. Have you set any criteria on which to review the effectiveness of this proposal and, if so, have these been signalled to Russia?

We look forward to your reply within the usual ten working days.

24 July 2014

Letter from Lord Livingston of Parkhead to the Chairman

Thank you for your letter of 24 July regarding the Council Decision and Regulation restricting imports of goods originating in Crimea and Sevastopol.

You ask for further clarification on the need for an override. Unfortunately, it was not the case that the proposal was under discussion for “a few months”. The issue was discussed in principle at the European Council on 21 March, but the Presidency only scheduled detailed discussions on the proposal once the draft text had been made available to Member State governments some five days before the Foreign Affairs Council adopted the Regulation. It was right to act quickly once the European External Action Service had produced the draft text to ensure that trade policy was in line with wider government policy (see below). Moreover, as stated in my Explanatory Memorandum, the security classification given to the draft text was also an impediment to scrutiny. I can confirm that these security classifications are not ascribed lightly to documents by the EU institutions, and
documents marked “restreint” or in this case “limité” do contain sensitive information that should not enter the public domain whilst still under negotiation. This was very much the case in relation to this measure.

You also ask about the impact on the Crimean economy and Crimean people of this decision, the duration of the ban, evaluation of the policy against realistic and achievable goals, and criteria for reviewing the policy. I should be clear: this regulation was designed neither to put pressure on the Russian government nor to have a particular impact on Crimea. The regulation was put in place as a direct consequence of the illegal annexation of Crimea by Russia. It would be inconsistent for this government or for other governments which share our view of the annexation to allow Crimean goods to enter our territory that had Russian certificates of origin. The prohibition does not apply to goods originating in Crimea or Sevastopol which have been granted a certificate of origin by the customs authorities of the Government of Ukraine.

I am not aware of any EU analysis of the likely impacts on Crimea of this regulation and UK officials have not undertaken any such analysis. Data on parts of countries exports (Crimean trade data being previously always subsumed into Ukrainian data) is hard to come by. Any impact will depend on the behavioural response of Crimean businesses and in particular whether they turn to the significantly increased “domestic” market in the form of improved access to Russian consumers resulting from the Russian annexation. For the same data issues, evaluation of the impact of the ban in the future will remain difficult. No criteria for evaluation have been signalled to Russia but these are built into the regulation with the clear exemption from the ban of goods processed by Ukrainian officials.

30 July 2014

RESTRICTIVE MEASURES AGAINST COTE D’IVOIRE (UNNUMBERED)

Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

The EU Sub-Committee on External Affairs considered the above document at its meeting on 3 July. It is regrettable that the Committee's scrutiny reserve was overridden in this instance but we are grateful for your explanation as to the reason why and have decided to clear this document from scrutiny. Your Explanatory Memorandum notes that the drafting of the Council Decision was delayed following a dispute between Member States and we would be grateful if you could provide further information on what the areas of dispute were, which Member States were involved, how the disputes were resolved, and when.

We would wish to receive this information in time to consider it alongside the forthcoming implementing regulation, which you have undertaken to deposit for scrutiny.

3 July 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter dated 3 July 2014, in which you asked for further information regarding the Council Decision amending restrictive measures against Cote d'Ivoire to be included in the Explanatory Memorandum accompanying the Council Implementing Regulation. However, we have established that a Council Implementing Regulation is not required in this case and therefore I am now writing to provide the additional information. I am grateful for your decision to clear the Council Decision from scrutiny and I am very sorry for the length of time that it has taken to respond to your query.

The Explanatory Memorandum submitted for Parliamentary Scrutiny on 18 June 2014 stated that the Council Decision was due for adoption on 23 June 2014. As previously highlighted, this unfortunately left very little time to allow for Parliamentary Scrutiny. The delays to the drafting of the Council Decision were the result of discussions over the interpretation of UNSCR 2153 (2014) at the Foreign Relations Counsellors Working Party (RELEX). Unfortunately, due to the confidentiality of the EU Council’s deliberations, I am unable to disclose the national positions of those EU Member States who discussed the interpretation of UNSCR 2153, nor am I able to provide information on how the differences were resolved. I am, however, able to confirm that any discussion that arose was resolved in time for the Council Decision to be adopted on 14 July 2014. It is not unusual for discussions of this kind to take place whilst sanctions are being negotiated.
Whilst we had initially anticipated that a Council Implementing Regulation would also be needed to introduce the amendments included in Council Decision 2014/460/CFSP, my officials have now clarified that a Regulation is not necessary as the amendments that have been agreed only needed to be introduced into the Decision and not the Regulation. Therefore, there will not be one deposited with your Committee for consideration. I include below further detail why a Council Regulation is not needed.

**IMPORT BAN ON ROUGH DIAMONDS**

The import ban on rough diamonds from Côte d’Ivoire comes originally from paragraph 6 of UNSCR 1643 (2005). This was then adopted by the Council of the European Union through article 2 of Common Position 2006/30/CFSP.

The import ban on diamonds was not included in Council Regulations 174/2005 or 560/2005 (which initiated the restrictions on the supply of assistance related to military activities, and certain specific restrictive measures against certain persons and entities, in Cote d’Ivoire, respectively). This was because it was already being applied as a result of Council Regulation 2368/2002 (consolidated version as at date of Common Position 2006/30/CFSP) which implemented the Kimberley Process certification scheme for the international trade in rough diamonds.

When the decision to scrap the ban was adopted in article 1(2) of Council Decision 2014/460/CFSP (the Cote d’Ivoire restrictive measures Council Decision), there was no need for a corresponding Regulation because (preventing and) allowing import, subject to certification, identification and transport conditions, was already included in Council Regulation 2368/2002, which lists in Annex II Cote d’Ivoire as a participant in the Kimberley Process certification scheme through its Ministry of Mines and Energy.

**COUNCIL DECISION 2010/656/CFSP: AMENDMENTS TO ARTICLES 1 AND 2**

The key change in Council Decision 2014/460/CFSP was to change the prohibition in Article 1 of Decision 2010/656/CFSP from:

> The sale, supply, transfer or export of arms and related material of all types, including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts for the aforementioned, as well as equipment which might be used for internal repression

To:

> The sale, supply, transfer or export of arms and related lethal materiel, as well as equipment which might be used for internal repression.

However, at that time the prohibition in the implementing measure Regulation 174/2005 was “to sell, supply, transfer or export, directly or indirectly, equipment which might be used for internal repression as listed in Annex I” (the equipment in Annex I included lethal materiel such as fire-arms and grenades, as well as non-lethal materiel such as vehicles), therefore the existing language in the Regulation did not require amending.

Similarly, the reworded exceptions in article 2 of Decision 2010/656/CFSP already feature in article 4a (2) of Regulation 174/2005.

Decision 2014/460/CFSP makes clear in its preamble that its purpose is to ensure that Decision 2010/656/CFSP reflects the wording of UNSCR 2153 (2014), which already appears to have been caught by the alternative way that Regulation 174/2005 is worded to prohibit specific listed equipment which might be used for internal repression.

23 October 2014

**RESTRICTIVE MEASURES AGAINST IRAN (UNNUMBERED)**

**Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman**

Since then, the Council has concluded that an amendment to the Decision is now required and that the extension can be agreed through an amendment to Council Decision 2010/413/CFSP concerning restrictive measures against Iran.
The E3+3 and Iran agreed in the early hours of 19 July to extend the JPoA for a further four months until 24 November, which is exactly one year after the JPoA was agreed. This Council Decision amends the ‘end date’ of EU sanctions from 20 July 2014 to 24 November 2014. This amendment was agreed on 21 July and published in the Official Journal on the same day. We hope this will provide the additional time needed to conclude an agreement. We believe that a deal is still possible - we would not have agreed to an extension had this not been the case - but reaching an agreement will be challenging. It is vital both sides continue efforts to reach a comprehensive deal as soon as possible.

Under the extension, both sides will continue to implement all measures agreed under the Geneva interim deal that have not yet expired. This means the limited sanctions relief under the JPoA will remain in place until 24 November 2014.

In addition to these measures, Iran has committed to convert an agreed amount of uranium oxide into fuel for the Tehran Research Reactor and to dilute its UF6 enriched up to 2% into natural uranium. In return, the E3+3 has committed to enable the repatriation of $2.8 billion in instalments over the course of the 4 month extension period. The IAEA will continue to be responsible for verification of all nuclear-related measures.

No additional sanctions have been suspended. All other EU sanctions and restrictions remain in place and in force and the Government’s position remains not to encourage trade with Iran.

In order to achieve a comprehensive solution, Iran has to show more flexibility and have more realistic expectations - given our concerns about break out - about the future scope of its nuclear programme, in particular on the core issue of enrichment. All parties will now need to reflect and evaluate the best way forward. We will reconvene in the coming weeks with the clear determination to reach agreement on a Joint Comprehensive Plan of Action by 24 November.

As set out in my last letter, I regret that I have had to agree to the adoption of this Council Decision before your Committee has had an opportunity to scrutinise it. As you know, the responsibility to keep your Committee informed on issues concerning EU restrictive measures is something I take seriously, but the need to override scrutiny on this occasion was, regrettably, unavoidable.

6 August 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to EU Council Decision 2014/776/CFSP concerning restrictive measures against Iran.

As detailed in the attached [not printed] Explanatory Memorandum, the Council Decision relists an individual and three entities after their listings were annulled by the European General Court in June and July 2014. The Council Decision also updates the listings of three entities and delists one entity. All of the above actions are in line with the Joint Plan of Action, agreed between the E3+3 and Iran in November 2013. They are also in line with the EU Council’s drive to improve the accuracy and impact of sanctions, ensuring they are reviewed and updated as necessary.

Having reviewed the evidence underlying each case, the EU Council wanted to relist the individual and three entities as quickly as possible following the annulment of their listings at the General Court. The summer recess in Brussels, as well as a focus on the Ukraine crisis, meant that it was not possible to progress these listings as quickly as anticipated. However, once the draft Decision was tabled in Brussels, the EU Council wanted to agree them as far in advance of the 24 November 2014, when negotiations with Iran are due to end. Therefore I regret that I find myself in the position of having to agree to the adoption of this Council Decision before your Committee has had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning Iran sanctions is something I take seriously and the need for the override of scrutiny on this occasion was, regrettably, unavoidable.

I understand from officials that you agreed to exempt the listing amendments and the delisting from Parliamentary Scrutiny. However, the attached [not printed] Explanatory Memorandum explains these changes in full.

17 November 2014
Letter from David Lidington MP to the Chairman

As detailed in the attached [not printed] Explanatory Memorandum, the Council Decision extends the EU sanctions relief offered to Iran under the Joint Plan of Action (JPoA) until 30 June 2015. We hope this will provide additional time needed to reach an agreement.

We believe a deal is still possible. A comprehensive, lasting deal is in all our interests. For the international community it would mean reassurance that Iran’s nuclear programme is exclusively peaceful. For Iran, a deal would bring significant economic benefits.

As you know, the responsibility to keep your Committee informed on issues concerning Iran sanctions is something I take seriously. However, given that negotiations went down to the wire, and the sensitivity of the agreement, the need for the override of scrutiny on this occasion is regrettably unavoidable.

3 December 2014

RESTRICTIVE MEASURES AGAINST SOUTH SUDAN (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing with regard to the Council Decision and Council Regulation concerning restrictive measures in view of the situation in South Sudan.

These documents provide for the creation of a new sanctions regime imposing restrictive measures against individuals obstructing the peace process.

The Council remains seriously concerned about the situation. Following the failure of both sides to fully honour their commitments to cease hostilities and engage in meaningful talks, new measures have been imposed to include travel restrictions and the freezing of funds and economic resources of two listed individuals, one from each side of the conflict. The listing of the two individuals will send a strong message about resolving the conflict through dialogue.

The documents also provide for the continuation of an arms embargo on South Sudan, as first implemented in 1994 by Council Decision 94/165/CFSP under the Sudan sanctions regime before South Sudan gained independence. For the sake of clarity, the new Council Decision and Regulation seek to separate the measures concerning South Sudan from previous measures concerning Sudan, and integrate them into a single legal act.

I regret that to ensure details of the designations were not made public until after the measures were in place, to mitigate any risk of asset flight, I found myself in the position of having to agree to the adoption of the Council Decision and Regulation before your Committee had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning sanctions is something I take seriously and the need for the override of scrutiny on this occasion is regrettably unavoidable.

22 July 2014

Letter from the Chairman to David Lidington MP

At its meeting of 9 September, the EU Sub-Committee on External Affairs considered the above documents and the reasons given in your accompanying letter for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons. On this basis, the Committee agreed to clear the documents from scrutiny.

There is no need to reply to this letter unless, of course, you wish to do so.

9 September 2014
Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing with regard to the EU Council Decision and Council Regulation concerning restrictive measures in view of the situation in Syria.

Twelve Syrian Government Ministers have been added to the list of designations by the EU. As Government Ministers, they share responsibility for the violent repression of the Syrian civilian population.

As detailed in my attached [not printed] Explanatory Memorandum, the situation in Syria continues to be of serious concern. It is therefore important that the UK continues to send a strong message to the Syrian regime that its continued intransigence is unacceptable. The listing of these twelve Syrian regime Ministers signals our determination to step up the pressure on the Assad regime and its key supporters.

I regret that to ensure details of these designations were not made public until after the measures were in place, to mitigate the significant risk of asset flight, I found myself in the position of having to agree to the adoption of the Council Decision and Regulation before your Committee had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning Syria sanctions is something I take seriously and the need for the override of scrutiny on this occasion was regrettably unavoidable. I wish to make you aware that we also expect to agree further EU designations in the near future, which will again be unable to be released to your Committee until after adoption. My officials will ensure that you have a copy of the amended list once it is made public.

26 June 2014

Letter from the Chairman to David Lidington MP

At its meeting of 10 July, the EU Sub-Committee on External Affairs considered the above documents and the reasons given in your accompanying letter for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

There is no need to reply to this letter unless, of course, you wish to do so.

10 July 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the EU Council Decision and Council Regulation concerning restrictive measures in view of the situation in Syria.

At the Foreign Affairs Council on 22 July 2014, EU Foreign Ministers agreed the designation of 9 entities and 3 individuals under Syria restrictive measures. The designations were chosen because they fit into three categories: (i) human rights violators; (ii) those providing practical and financial support to the Assad regime and its military effort; and (iii) those contributing to the Syrian chemical weapons programme.

As detailed in my attached [not printed] Explanatory Memorandum, the situation in Syria remains of serious concern. It is therefore important that the EU continues to send a strong message to the Syrian regime that its intransigence is unacceptable. These new listings signal the EU’s determination to step up the pressure on the Assad regime and its key supporters.

I regret that to ensure details of these designations were not made public until after the measures were in place, to mitigate the significant risk of asset flight, I found myself in the position of having to agree to the adoption of the Council Decision and Regulation before your Committee had an opportunity to scrutinise the documents.
As you know, the responsibility to keep your Committee informed on issues concerning Syria sanctions is something I take seriously and the need for the override of scrutiny on this occasion was regrettably unavoidable.

29 July 2014

Letter from the Chairman to David Lidington MP

At its meeting of 9 September, the EU Sub-Committee on External Affairs considered the above documents, which had already been cleared from scrutiny. The Committee also considered your letter of 29 July and the reasons given for the override of the scrutiny reserve. In the circumstances, the Committee considers that it was reasonable for the Government to proceed without following the usual parliamentary scrutiny procedures, and we are grateful to you for explaining your reasons.

There is no need to reply to this letter unless, of course, you wish to do so.

9 September 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the Council Decision and Council Regulation concerning restrictive measures in view of the situation in Syria.

These documents provide for the relisting of the individual Samir Hassan under the EU Syria sanctions regime on the basis of a new statement of reasons, following the judgment of the General Court of the European Union to annul the original designation on 16 July 2014. The Court’s decision to annul the listing was primarily due to the lack of sufficient open-source evidence that the Council could share with the Court to back up the allegations made in the statement of reasons.

As detailed in my attached [not printed] Explanatory Memorandum, the policy imperative for listing Hassan remained strong following the Court’s decision to annul the listing: he has substantial political and economic ties with the regime, and has close business links with key regime figures. Hassan’s re-listing is now supported by evidence from open sources that can be shared with the Court in the event of challenge.

The situation in Syria continues to be of serious concern. It is therefore important that the EU continues to send a strong message to the Syrian regime that its continued intransigence is unacceptable. The re-listing of this individual signals the EU’s determination to step up the pressure on the Assad regime and its key supporters.

I regret that due to the time constraints surrounding the date that the annulment was due to take effect, I found myself in the position of having to agree to the adoption of the Council Decision and Regulation before your Committee had an opportunity to scrutinise the documents, in order to avoid the risk of the asset flight.

As you know, the responsibility to keep your Committee informed on issues concerning sanctions is something I take seriously and the need for the override of scrutiny on this occasion is regrettably unavoidable.

9 October 2014

Letter from the Chairman to David Lidington MP

At its meeting of 23 October, the EU Sub-Committee on External Affairs considered the above documents, which will be recorded as an override, and decided to clear them from scrutiny.

The policy of re-listing an individual after the General Court has found that the Council was unable to produce any evidence at all to justify the listing is troubling. Mr Hassan may have to wait a number of years before a further appeal will be heard on the re-listing (this appeal took three years), and many would argue that as a consequence he is being unfairly denied an effective remedy. In a number of cases where the General Court has annulled a restrictive measure, such as this one, the Council has been able to issue a revised statement of reasons, which we are told is based on sufficient open-source evidence. As we do not see the evidence, we have to rely on the limited explanation in the Government’s EM as proof of this.

In this case, we would be grateful if you could provide us with as much detail as possible on the open-source evidence that supports the revised statement of reasons for the re-listing. We also be grateful
to know whether any progress is being made on the possibility of the General Court hearing appeals against targeted sanctions in camera.

We look forward to a reply to this letter within the usual ten working days.

23 October 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the EU Council Decision and Council Regulation concerning restrictive measures in view of the situation in Syria.

At the Foreign Affairs Council on 20 October 2014, EU Foreign Ministers agreed the designation of 16 individuals and 2 entities under Syria restrictive measures. The designations include 12 new members of the Syrian Government, individuals and entities involved in the supply of oil to the Syrian Regime, and individuals responsible for grave human rights abuses in Syria.

As detailed in my attached [not printed] Explanatory Memorandum, the situation in Syria continues to be of serious concern. I am clear that the cause of instability in Syria is Assad. The only long-term solution to the Syrian conflict, and ISIL, is a negotiated solution. It is therefore important that the EU continues to send a strong message to the Syrian regime that its continued intransigence is unacceptable, and that the Syrian regime must negotiate an end to its brutal war. These new listings signal the EU’s determination to step up the pressure on Assad and those propping up his regime.

I regret that to ensure details of these designations were not made public until after the measures were in place, to mitigate the significant risk of asset flight, I found myself in the position of having to agree to the adoption of the Council Decision and Regulation before your Committee had an opportunity to scrutinise the documents.

As you know, the responsibility to keep your Committee informed on issues concerning Syria sanctions is something I take seriously and the need for the override of scrutiny on this occasion was regrettably unavoidable.

24 October 2014

UPDATE ON EUBAM LIBYA (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

Due to recent developments in Libya, I am taking this opportunity to provide the committee with a short update on the latest security and political situation and the current status of EUBAM Libya.

Fighting has escalated in Libya over the past few months, particularly in Tripoli and Benghazi. In Tripoli, fighting has closed the main international airport and there have been several air strikes on the capital. This increased insecurity has led to the majority of the diplomatic community closing their Embassies and withdrawing staff, including the UK. The FCO has changed the travel advice for Libya, advising against all travel to the country.

Following relatively peaceful elections on 25 June, a new House of Representatives was elected. It has been sitting in Tobruk, in the East of the country, due to the security situation in Tripoli, since its inaugural meeting on 4 August. However, not all members have taken up their seats and some members of the expired General National Congress have convened sessions in Tripoli, declaring it as the sole legislative authority.

EUBAM Libya took the decision on 4 August to withdraw staff from Libya due to the security situation. The mission’s core staff have temporarily relocated to Tunis and a small number are temporarily co-located with the EEAS in Brussels.

I will write in due course to update the committee once discussions in Brussels have progressed in regards to the future structure of the mission.

28 August 2014
Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I thought you would appreciate an update on the discussion at the 12 May Foreign Affairs Council (FAC), and the joint proposal by UK, Sweden and Poland to establish a civilian capacity-building CSDP Mission in support of Ukraine’s reform agenda.

The Committees expressed interest in the discussions which took place at the Foreign Affairs Council on 12 May. The Foreign Affairs Council agreed, in response to their concerns about the deteriorating political and security situation in Ukraine, Conclusions that reaffirmed the EU’s support for Ukraine’s unity, sovereignty, independence, and territorial integrity and called upon Russia to do likewise. The FAC also expressed alarm at the continued efforts by pro-Russian separatists to destabilise Eastern and Southern Ukraine and called on all parties to support free and fair Presidential elections.

On the joint proposal to establish a civilian CSDP Mission for Ukraine, the FAC recalled its readiness to assist Ukraine in the field of civilian security sector reform, including police and rule of law. The Council tasked the EEAS to prepare a Crisis Management Concept – an initial planning document - for a possible civilian CSDP mission with a view to a decision on further steps at its next meeting.

Since then, a draft Crisis Management Concept for the Ukraine mission has been circulated to EU member states for consideration and possible agreement at the FAC on 23 June. The civilian mission is expected to adopt a twin-track approach to addressing Ukraine’s urgent, as well as longer-term, stability-related needs by:

— Mentoring and advising Ukrainian bodies on the design and implementation of security sector reform strategies, which will result in Ukrainian security services which uphold the rule of law credibly and accountably, with public confidence and respect for human rights.

— Coordinating EU support with parallel justice, defence and border management reforms, which are being supported by other EU mechanisms and international actors (notably the OSCE and NATO), with an emphasis on the need for clear division of responsibilities and de-confliction of activities.

There is growing support for the concept of a CSDP mission as part of the EU’s overall response to a political and security crisis, which has the potential to de-stabilise a key region within the EU’s and the UK’s neighbourhood. There is therefore a clear imperative for the UK to play a role in supporting Ukraine to implement essential reforms that will address fundamental governance issues, including corruption and judicial reform, and make the country less susceptible to external pressures in future. The prospective Mission would address Ukraine’s key needs, in a manner which plays to the EU’s supportive strengths, as well as our own expertise in security sector reform and accountable governance structures. For these reasons, I am encouraged by the Mission’s intent to focus on capacity building, and the explicit recognition of the importance of coordination with other international and bilateral actors.

The exact details of the civilian Mission’s expected budget and activities will not be confirmed until the draft Crisis Management Concept is agreed by the FAC, and further planning conducted.

I continue to believe that a rapid, yet thoroughly planned, deployment is necessary to help mitigate the risk of further instability in Ukraine. It is in our interest, and the interest of our EU partners, to support the efforts of the newly elected and inaugurated President Petro Poroshenko to deliver a safe, democratic and prosperous future for the people of Ukraine.

I will write again with a further update on the status of planning for the civilian CSDP Mission after the 23 June Foreign Affairs Council.

16 June 2014

Letter from David Lidington MP to the Chairman

I thought you would appreciate an update on the discussion at the 12 May Foreign Affairs Council (FAC), and the joint proposal by UK, Sweden and Poland to establish a civilian capacity-building CSDP Mission in support of Ukraine’s reform agenda.
On 23 June the Foreign Affairs Council agreed to establish the civilian CSDP mission to assist Ukraine, and approved the Crisis Management Concept I referred to in my previous letter. Ministers agreed that operational planning could be pursued ahead of a decision on next steps at the July Council and an early deployment of the mission in the summer. The Council recalled the importance of coordination and coherence with other EU efforts, with the OSCE, and with other international actors, and Ministers also commended the work of, and expressed their continued support for, the OSCE Special Monitoring Mission.

The EU subsequently confirmed that the mission would have an initial mandate of two years. Its headquarters would be based in Kyiv, and would be expected to develop its capacity to carry out regional visits as soon as feasible. An advance team for the mission would deploy “in a few weeks” to begin establishing initial contact with Ukrainian and other EU and international actors in order to promote strong coordination and cooperation.

Following the political agreement of the Council to proceed with operational and budgetary planning, preparations have begun to recruit a Head of Mission and members of the advance team. The advance team would be expected to travel to Ukraine in July, in order to provide timely input to the EU’s mission planning. The Head of Mission would be expected to take up post in August.

Further details of the mission’s expected sequencing and budgetary requirements will be confirmed as the operational planning process develops. However my officials continue to press for early circulation of information on all aspects of the civilian mission, particularly as we approach the summer parliamentary recess. In this light, we have asked for, and expect to receive, an early version of the first Council Decision for scrutiny.

BACKGROUND ON THE CRISIS MANAGEMENT CONCEPT (CMC)

The Committees asked for further information on the CMC, and its place in the planning process.

Once EU Foreign Ministers have agreed to consider a proposal to conduct CSDP activities, they task the EEAS to develop a CMC, as an initial planning tool to guide Ministers’ political decision-making. The CMC is a conceptual framework document describing CSDP activities which should be conducted, in order to address a particular crisis within the EU’s comprehensive approach. The CMC broadly defines the overarching mandate, as well as political strategic objectives for CSDP engagement. Within the EEAS, it is prepared by Crisis Management and Planning Directorate, in consultation with EU Member States and the EU’s Civilian Planning and Conduct Capability.

As this was approved by Foreign Ministers on 23 June, the EEAS is now able to proceed with operational planning activities. These activities will result in the production of a budget, Concept of Operations (CONOPS), an Operational Plan (OPlan). As you noted, Council Decisions are required formally to agree the budget, establish and launch the mission.

I hope this explanation is helpful. I will write again with a further update on the status of planning for the civilian CSDP Mission in July.

27 June 2014

Letter from David Lidington MP to the Chairman

I thank the Committee for its support for the civilian CSDP mission for Ukraine. I am particularly grateful for the Committee’s early consideration, and approval, of the Explanatory Memorandum deposited on 9 July in advance of the Foreign Affairs Council on 22 July. Foreign Ministers’ discussions on Ukraine that day focussed on the tragedy of Malaysian Airlines flight MH17. Ministers also formally agreed the Council Decision establishing the CSDP mission, which has now been named the “EU Advisory Mission for civilian security sector reform” (EUAM).

BACKGROUND ON THE EUROPEAN COMMISSION STATE BUILDING CONTRACT

In the European Scrutiny Committee’s Report on my Explanatory Memorandum, the Committee asked for clarification on the European Commission’s State Building Contract for Ukraine. I believe this information will also be of interest to your Committee.

On 29 April 2014, the European Commission adopted a €355 million package aimed at supporting Ukraine’s reform agenda, by boosting the role of civil society, as well as promoting and monitoring democratic reforms and inclusive socio-economic development in Ukraine. The overarching goal of the package was to support the Government of Ukraine in addressing short-term economic problems which have weakened institutions, and contribute to Ukraine’s long-term reforms and preparation for
political and economic association with the EU. The programme was conditional, subject to progress in reforms in several areas: anti-corruption, public administration, constitutional reform, electoral legislation and justice reform. The Commission and the Ukrainian government signed the programme on 13 May, and on 13 June, the Commission announced the disbursement of the first tranche of €250 million.

The State Building Contract is a major part of the €11 billion international support package to Ukraine, and will provide short-term budgetary assistance to the Government of Ukraine through support to improved governance, anti-corruption, and reforms of the judiciary and public administration. These reforms are an integral part of the Association Agreement/Deep and Comprehensive Free Trade Area.

I hope this explanation is helpful. I have encouraged my officials to stay in close contact with the European External Action Service (EEAS) and Civilian Planning and Conduct Capability (CPCC), on the status of mission operational planning. As before, my officials will continue to press for early circulation of information on all aspects of the civilian mission, as well as the second draft Council Decision for your due consideration. At an appropriate moment, we will provide information on the benchmarking and exit strategy exercise as the European Scrutiny Committee has requested.

More generally, the situation on the ground in Ukraine continues to cause serious concern. The Prime Minister and the Foreign Secretary have been in contact with President Poroshenko and Foreign Minister Klimkin to underline the UK’s support for Ukraine and encourage them in their efforts to pursue a diplomatic solution to the current unrest. We will continue to raise Ukraine at international meetings with our allies, and maintain our pressure on Russia to cease supplying the separatists with weapons, withdraw its troops, weapons and vehicles already in Ukraine, and commit to a negotiated solution.

28 August 2014

Letter from David Lidington MP to the Chairman

I wanted to thank the Committee for clearing my two Explanatory Memoranda on the EU Advisory Mission for civilian security sector reform in Ukraine (EUAM Ukraine) ahead of the Foreign Affairs Council on 17 November. The two Council Decisions were adopted by EU Foreign Ministers, although I am pleased to note that the final Budget for the Mission was lower than the figure contained in my Explanatory Memorandum. Further detail on this is provided below.

THE POLITICAL SITUATION IN UKRAINE

In its Report of 29 October, the Committee asked for an update on the political situation in Ukraine and specifically on the formation of a new government; our assessment of the nature of the new parliament; and the capacity of the two institutions to work together.

The formation of a coalition government is well underway following the 26 October parliamentary elections. On 14 November, President Poroshenko released the first draft of a coalition agreement. This draft agreement covers a wide range of reform measures, including: the establishment of the Anti-corruption Bureau and implementation of anti-corruption legislation passed before the elections; judicial reform, strengthening the independence and removing political influence; decentralisation; energy sector reform - decreasing energy dependence, phasing out state subsidies on gas/heating, privatisation of coal-mines and limiting state involvement across the board; electoral reform - changing to a 100% open party list system; cancellation of Ukraine’s ‘non-bloc’ status regarding NATO. Since then, the agreement has been expanded to include a key Maidan demand of lifting immunity for MPs.

I expect the first session of the new parliament (Verkovna Rada) - which includes a majority of pro-European and pro-reform parties - will be held on 27 November. As yet, there has been no public announcement on ministerial positions, as this responsibility will lie with the new Prime Minister. By law, the new government must be formed within 30 days of the first Verkovna Rada session, i.e. 27 December. Given this timetable, we will have a better sense of the interaction between the new Ukrainian government and the Verkovna Rada in the New Year.

MISSION READINESS TO LAUNCH

In its Report of 29 October, the Committee also asked for the view of EUAM’s Operational Commander with respect to EUAM’s Initial Operational Capacity (IOC) and readiness to deploy on 1
December. My officials have contacted the Mission on this question and have been advised that, by 1 December, the IOC will have been reached, and up to 55 Mission staff deployed.

**UPDATE ON MISSION BUDGET**

In my Explanatory Memorandum of 23 October, I informed the Committee that a proposed budget of €13,350,000 for the period of 1 December 2014 to 30 November 2015 was under negotiation. I can now advise that the final budget will be €13,100,000. My officials were successful in leading efforts to achieve a lower budget, principally in the form of a reduction of €129,000 to proposed expenditure on software.

A revised overview of the final budget is contained within the table below. Figures for the current four-month budget are also included, for ease of reference.

<table>
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<th>Budget Line</th>
<th>Current Budget</th>
<th>Final Budget 1 December 2014 to 30 November 2015 (Euros)</th>
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<tbody>
<tr>
<td>Personnel</td>
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<td>Missions</td>
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<td>537,520</td>
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<tr>
<td>Running costs</td>
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<td><strong>Total</strong></td>
<td><strong>2,680,000</strong></td>
<td><strong>13,100,000</strong></td>
</tr>
</tbody>
</table>

— Personnel Costs (€7,163,207.30):
— Personnel costs account for approximately 54% of total expenditure. Under the new OPLAN, the maximum authorised strength is 105 international staff.
— Missions Expenditure (€537,520):
— This expenditure relates to the costs incurred in implementing the mandate and includes transportation, per diems and accommodation.

**RUNNING COSTS (€2,769,465):**

This covers a range of costs such as transport, IT, communications and goods & services:
— Transportation and generators (€350,800): The mission will have a fleet of 35 vehicles, including four armoured cars. This budget line covers fuel, maintenance, insurance, registration and fleet monitoring.
— IT Services (€309,200)
— Communications (€155,040): This covers GSM and landline services, satellite communications and rental for a radio repeater.
— Office rent and services (€946,800): This covers rent for the temporary office location, HQ (including VAT for first three months of rent, maintenance, and cleaning services), drinking water, buildings insurance, utilities, and temporary storage space.
Office Supplies (€28,000)

PPIO & Visibility (€112,500): This covers polls and public surveys; media campaigns, press visits, visibility items, and newspaper & TV subscriptions.

Security (€417,000): Expenditure covers security guards, consumables, maintenance and emergency rations

Welfare (€12,000)

Financial Costs (€39,600): Covers external audit and bank fees

Consultation & Other Services (€100,000): This covers external consultants, legal consultancy and medical evacuation.

Training (€151,025): Expenditure for training in field operations, administration, security, and internal seminars.

Transport Costs (€147,500)

CAPITAL EXPENDITURE (€2,451,845):
Expenditure covers necessary IT and communications equipment, building equipment, office furniture, office works, miscellaneous equipment and security and medical equipment:

IT Equipment (€1,352,525): The majority of expenditure is for software licenses, IT equipment and a data centre. The reduction of €129,500 to the proposed budget is due to efforts of UK officials to lower expenditure on software.

Communications Equipment (€443,920): This budget line covers phones (including satellite and secure phones), radio equipment and software.

Building Equipment and Furniture (€232,400): This budget line allows the missions to furnish a new HQ and purchase a generator.

Office Works (€270,000): Expenditure is for the improvement of physical security measures at mission HQ.

Miscellaneous Equipment (€10,000)

Security & Medical Equipment (€143,000): This covers improvement of physical security at staff accommodation; security equipment related to access control; sweeping of premises and medical equipment.

Representation (€24,000)

Contingencies (€153,962.70): The contingency reserve is 1.19% of the budget.

26 November 2014

UPDATE ON THE CENTRAL AFRICAN REPUBLIC (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to provide you with a further update on the Central African Republic (CAR). In addition, I submit an Explanatory Memorandum on the draft Council Decision for extending the mandate for the EU Operation in CAR (EUFOR CAR) for three months. I previously wrote to you on 24 April 2014.

SITUATION ON THE GROUND

The security environment remains fragile. CAR is facing a situation where its state, justice and economic structures will need to be built from scratch. Levels of inter-religious violence and tensions remain high. Whilst there have been some improvements in Bangui, the situation is getting worse outside the capital. The humanitarian crisis in CAR has been aggravated by continuing sporadic
violence. The UN estimates that over 2.5 million people (more than half of the population) are in dire need of humanitarian assistance, including protection, food, water, shelter, health and sanitation.

UN

The UN Peacekeeping Operation (MINUSCA) deployed on 15 September. We judge the handover from the AU (MISCA) to UN authority in Bangui to have been a success. The AU’s 5,200 MISCA troops were re-hatted and augmented by approximately 1,800 additional UN uniformed personnel. 65% of uniformed staff are now deployed and the UN is on track to reach full operating capability by April 2015.

EU

EUFOR CAR launched to Bangui on 1 April 2014 with the aim of providing a secure environment, protecting the populations most at risk and creating the conditions for the provision of humanitarian aid. EUFOR CAR reached full operational capacity (FOC) on 15 June, signalling the start of its six-month mandate. EUFOR CAR has succeeded in establishing security at the international airport and in the 3rd and 5th districts of Bangui.

The operation’s budget was agreed in May at €31 million (the Reference Amount in the original Council Decision was €26 million). An additional €3.7 million was exceptionally agreed to pay for accommodation for troops, and €1.4 million was added to cover the cost of contracting for logistics and medical capabilities. The budget was reviewed in July and no extra funds were requested. The Government believes that EUFOR CAR has had a positive effect on security within its area of operations. Although force generation has proved difficult, the ability to provide a visible presence through regular patrols has helped deter violence, with anecdotal evidence suggesting some that had fled have started to return to the capital. The flexible capabilities offered by the gendarmerie unit and the special operations cell have also proven useful responsive tools when needed, and the operation has engaged effectively with community leaders building trust. However, these successes and their sustainability will depend on MINUSCA’s ability to take over EUFOR CAR’s work.

EUFOR NEXT STEPS – REQUEST FOR EXTENSION

CAR’s interim President Catherine Samba-Panza has requested that EUFOR’s mandate be extended by 3 months, until MINUSCA is fully deployed. The UN DPKO have stated that they would very much welcome EUFOR CAR’s extension.

EUFOR has played a vital role, securing the airport (which was the only effective logistical and economic bridge into CAR), and creating a stable and secure environment in the third and fifth districts of Bangui (the only remaining areas of the capital where there was still a significant Muslim community). Whilst MINUSCA has already started to deploy, it will not reach full strength until after the end of the current EUFOR mandate.

Maintaining EUFOR’s presence for a further three months would allow a better handover with MINUSCA including conducting joint patrols and providing backup rapid reaction forces whilst MINUSCA beds in. Due to the fragile nature of the security situation in Bangui, not extending EUFOR for a short period risks harming security gains. We understand from the EEAS that current troop providers have indicated their willingness to extend.

Having considered carefully, HMG believes it right to agree a one off extension to ensure a smooth transition to MINUSCA. The UK and EU Member States agreed in principle to an extension at the Political and Security Committee on 30 September subject to scrutiny reserves.

You will also find an accompanying Explanatory Memorandum along with draft Council Decision authorising the extension of EUFOR CAR’s mandate. For operational planning reasons, I would very much appreciate the Committee’s support in clearing this EM in a timely manner.

FUTURE EU ENGAGEMENT IN CAR

EU Member States are also considering options for future EU engagement in CAR, what role they want to have post-EUFOR and how to support international efforts, specifically the UN and MINUSCA. Member States have tasked the EEAS to assess potential options (in a Political Framework for Crisis Approach, PFCA) to allow Member States to take an informed decision at a later date. We will press the EU to consider future options as part of a wider Comprehensive Approach to conflict prevention, including areas such as humanitarian, development, economic and possible CSDP actions.
I will keep you informed as thinking develops on next steps.

**PARLIAMENTARY SCRUTINY**

In my letter of 24 April to the Committee, I submitted what was the final version of the Transfer Agreement (TA). However, following the adoption of the Council Decision on 14 April, the CAR authorities asked to renegotiate the text of the TA. The EEAS negotiated on behalf of the EU. The agreed changes were minor, with language helpfully tightened and references added to EUFOR detentions being in pursuance of United Nations Security Council Resolution 2134 (2014). An updated Council Decision on the conclusion of the negotiations was subsequently agreed and the TA signed on 18 July 2014 by the Head of the EU Delegation in Bangui and CAR’s Prime Minister. Operation Commander Pontiès stressed: “It [TA] is an important mechanism in the common efforts of EUFOR CAR and local authorities to create a safe and secure environment and to end the impunity of serious crimes in CAR.” These limited documents are attached [not printed], and are being shared with the Committee under the Government’s authority and the arrangements agreed between the Government and Committee for sharing such documents. It cannot be published, nor can it be reported on in any way which would bring detail contained in the document into the public domain.

**TRANSIT AGREEMENT WITH CAMEROON**

I also mentioned in my previous letter the further Council Decision on EUFOR CAR, which would authorise the closing of negotiations with the Republic of Cameroon, to conclude an Agreement on the status of the EU Forces in transit within Cameroonian territory (something that was already happening on a case by case basis until an agreement was in place). Negotiations with Cameroon were authorised by EU Member States. This agreement and Council Decision were issued on 15 September and your staff kindly agreed to exempt this being submitted for Parliamentary Scrutiny due to its technical and non-political nature.

My officials will be happy to coordinate with the Committee clerks to answer any questions you may have in advance of your Committee meeting, in particular on the request for approval of the extension to EUFOR’s mandate.

9 October 2014

**UPDATE ON THE FUTURE OF CSDP IN DEMOCRATIC REPUBLIC OF CONGO (DRC)**

**Letter from the Chairman to David Lidington MP, Minister for Europe, Foreign and Commonwealth Office**

Thank you for your letter of 2 June, regarding the future of the CSDP mission in the Democratic Republic of Congo (DRC), which was considered by the Sub-Committee on External Affairs at its meeting on 26 June. At that meeting, the Committee also considered your letter of 19 September, which unfortunately only reached us recently.

We note that the EU is downgrading its security posture even though the situation in the east of the country continues to remain tense and we remain concerned about the difficulty and importance of ensuring that there is a coherent, joint approach between the number of different actors involved in security sector reform (SSR). We would therefore welcome some assurances about how the work of the various actors (Commission development programmes, national actors, and the small CSDP mission) will be coordinated.

We are also concerned that the exit strategy appears to have been dictated by an exit timetable rather than by an agreed end state and we would like to hear your assessment of whether you are confident that the situation in the DRC is stable enough to move to a primarily Commission focused engagement and whether the Congolese police or armed forces will be able to deliver in very challenging conditions. Furthermore, it would be useful to know whether there will be an option to extend the mandate of EUSEC if security conditions deteriorate further.

Finally, we would like to draw your attention to the Stabilisation Unit’s assessment of EUSEC, which concluded the following:

“EUSEC has great value as a multilateral organisation that has extensive understanding of FARDC (armed forces of Congo) and has established relationships of trust. Congolese military leaders, including those in the east, strongly value EUSEC’s strategic advice and expertise. The assessment team would therefore
support continued EU engagement in defence reform along the lines established by EUSEC, noting that because most military-related assistance is non-ODAable, there are few other funding mechanisms on which to draw.”

Can the tasks currently supported by EUSEC be satisfactorily delivered by the proposed development instruments and truncated CSDP mission? The Stabilisation Unit makes recommendations on how to improve the delivery of SSR and it would be useful to know how the Government intends to act upon these recommendations.

26 June 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 26 June, regarding the considerations of the House of Lords European Union Committee with regard to the future of the CSDP mission in the Democratic Republic of Congo (DRC). I am writing to you in response to the points you raise.

I would like to take this opportunity to stress our commitment to working with the DRC and its neighbours to deliver greater peace and security in the region. Security Sector Reform (SSR) is an integral part of this. As you are aware, current EU support to SSR in the DRC focuses on three key areas: advice on a strategic level; the modernisation of the administration, in particular the management of personnel; and the education of military and non-commissioned officers. I remain satisfied that these tasks can satisfactorily be delivered by EU development programming, and the truncated CSDP mission. We will, of course, continue to keep this under review, but I remain confident that the proposals represent a good deal for the DRC and for the UK.

In your letter you raised concerns about the exit strategy for EUSEC. To some extent I agree with your assessment; the reality of working through the EU means that programmes are reviewed and agreed according to clear timescales, and commitments are made for set periods and are judged against not only the needs on the ground at the time, but also against other conflicting priorities requiring our support.

CSDP is primarily a short term crisis management tool. It remains our policy that we should look where we can to deliver programmes through the Commission and other instruments. However, when reviewing the EUSEC closure decision in light of the challenges that remain in the DRC, we were minded that the work undertaken by EUSEC should continue, albeit not necessarily in the guise of a full CSDP mission. We pushed for this in the EU, and while we will, as ever, continue to keep CSDP commitments under review, I remain confident that the proposals represent a good deal for the DRC and for the UK.

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I share your concern about the need to ensure that there is a coherent approach to SSR in the DRC. This is particularly important in order to ensure that the achievements of EUSEC to date are not lost. There remain a number of actors working on SSR in the DRC, and coordination remains a significant and important challenge. The majority of actions identified for transition from EUSEC are eligible for EDF funding which funds long term development programmes. The Commission will therefore be the key partner responsible for coordination of EU activities, the contributions of member state actors in this field and the small CSDP mission carrying out ‘military to military’ activities. I am confident that the Commission recognises the importance of this task and is fully appraised of the store we put by effective delivery in this regard.

The Commission currently regularly engages with, and will continue to coordinate its work very closely with MONUSCO, the UN mission to the DRC. UN Security Council Resolution 2147 (2014) extended the mandate of MONUSCO until 31 March 2015, mandating it to "play a leading role in coordinating the support for security sector reform provided by international and bilateral partners and the UN system". I am confident that the relationship and close coordination between MONUSCO and the Commission will continue and develop.

You pointed to the Stabilisation Unit report on EUSEC which concluded that SSR is crucial to stabilisation in the Great Lakes and will help to ensure that money spent on development programmes makes the necessary difference. We shared much of the report with member states and the report was helpful in setting out why we felt that a review of the decision to close EUSEC for good in September 2014 was required. The recommendations of the Stabilisation Unit will continue to be considered by the UK government and by colleagues in the EU when formalising the nature of the programmes of support to DRC in the field of SSR.

14 July 2014
UPDATE ON THE ITALIAN EU PRESIDENCY DEVELOPMENT PRIORITIES
(UNNUMBERED)

Letter from Lynne Featherstone MP, Parliamentary Under-Secretary of State, Department for International Development, to the Chairman

The Italian EU Presidency began on 1 July 2014. Italy will start the new Presidency Trio, followed by Latvia and Luxembourg in the first and second halves of 2015 respectively. I am taking this opportunity to update the Committees on the main development files in the Italian Presidency’s work programme for the CODEV (development), ACP (African, Caribbean and Pacific states) and COHAFE (humanitarian and food aid) working groups and to outline the UK’s objectives in relation to these, set out below.

The Italians are hosting an informal meeting for Development Ministers in Italy on 14/15th July to discuss priorities for their presidency. I will attend on behalf of the UK. My priorities for the meeting will be to progress UK objectives on a new post-MDG framework, as well as sharing UK learning on doing more with the private sector in development.

POST-2015 DEVELOPMENT AGENDA

The post-2015 Development Agenda will be a significant priority throughout the Italian Presidency. The Presidency will play a critical role in shaping Council Conclusions which will form the common EU position for the international negotiations which are expected to run until a Framework is adopted at the UN General Assembly in September 2015. The UK would like to see Conclusions reached in late 2014 after the Secretary General has released his Synthesis Report on the Post MDGs and ahead of the start of the intergovernmental negotiations. We will want to build consensus on the key themes discussed with EU member states over the last year which cover inclusive development, inclusive and sustainable growth as well as peace and good governance. The UK will continue to work to build alliances with key member states and the Commission. We also expect the Commission to prepare a Communication in the autumn in advance of the Finance for Development Conference in July 2015.

FOOD AND NUTRITION SECURITY

The Commission will report on the implementation of policy commitments by the EU and its Member States on food and nutrition security, with a focus on coherence, complementarity and coordination of activities. This Report is expected to be adopted by the end of July 2014. In addition, in early July, the Commission presented its Nutrition Action Plan in the form of a staff working document. It sets out strategic priorities, how the Commission will operationalize its Communication and Council Conclusions on enhancing maternal and child nutrition and how the Commission aims to reach the WHO target of reducing by 7 million the number of stunted children by 2025. The EU commitment was made at the Olympic Hunger Event hosted by the Prime Minister in August 2012. The UK supports the comprehensive approach taken and welcomes the action plan. CODEV will draft Council Conclusions and officials will seek to secure an explicit reference to support and advocacy for the new annual Global Nutrition Report which will provide a comprehensive authoritative view of the status of nutrition globally and at country level.

MIGRATION-DEVELOPMENT NEXUS

CODEV will advance discussions on mainstreaming migration into development policies/interventions. The link to the post-2015 MDG framework and related negotiations will also be addressed. The UK will encourage an evidence-based approach to discussions on migration and development. We expect the Italians to be particularly focused on the issue of irregular migration and the need for EU action to prevent dangerous Mediterranean crossings.

ROLE OF THE PRIVATE SECTOR IN DEVELOPMENT

The Italian Presidency will focus on progressing action on doing more with the private sector through EU development programmes. A Commission Communication on “Strengthening the Role of the Private Sector for Achieving Inclusive and Sustainable Development” was published on 13 May, and presented at the Development Foreign Affairs Council on 19 May. A first set of Council Conclusions was adopted at the June Foreign Affairs Council. The UK welcomed the Communication which proposes the adoption of a strategic framework for strengthening the role of the private sector in
achieving inclusive and sustainable growth. The EU has many levers at its disposal such as trade negotiations, development assistance (including innovative finance), and political dialogue. The UK will continue to encourage the Commission to use these levers with partner governments to support reforms and create stable and pro-business environment, and unlock private sector development and growth. The UK welcomes the emphasis on economic empowerment of girls and women featured in the framework, and the focus on results.

**EUROPEAN DEVELOPMENT FUND (EDF)**

The legal texts of the 11th EDF - the Implementation Regulation, describing the programming and monitoring framework, and the Financial Regulation, which lays out the rules for Member States’ contributions and budget implementation – have now been agreed and await final adoption in the ACP working group and Council. Agreement will also be sought on the rules of procedure for both the EDF Committee and the Investment Facility Committee which oversees the European Investment Bank funds to ACP countries.

**ARTICLE 96**

Article 96 decisions will be reviewed for Guinea – Bissau, Zimbabwe and Fiji during the Italian Presidency. At its most severe, Article 96 involves suspending all EU development funds to the partner government, though it does not prevent the EU from providing assistance in direct support of the population through NGOs, multilateral or the private sector. Decisions on continuing to apply, suspend or lift Article 96 appropriate measures involve discussion in the Working Party on Africa (COAFR), the Asia-Oceania Working Party (COASI) and the ACP working group to examine progress made. In each case, the UK will want to be sure that the partner government’s adherence to the essential elements of the Cotonou Agreement is proven before appropriate measures are lifted.

**ECONOMIC PARTNERSHIP AGREEMENTS (EPAs)**

Existing duty-free market access arrangements for countries negotiating Economic Partnership Agreements (trade and development deals) will expire on 1 October 2014, leading to tariff increases for 8 countries including Kenya and Ghana. Negotiations for EPAs with East, Southern, and West Africa are close to conclusion. Once negotiations are finished or interim agreements ratified, the Commission will introduce legislation to extend duty-free access to the EU market, and we hope the European Council and European Parliament will give their quick approval over the summer.

**HUMANITARIAN AID AND RESILIENCE**

Following the evaluation of the implementation of the European Consensus on Humanitarian Aid, the Italian Presidency will lead discussions on recommendations through the Council Working Party on Humanitarian Aid and Food Aid (COHAFA). Recommendations include maintaining the organisational and procedural independence of humanitarian aid in the EU institutions, clarifying objectives of coordination and complementarities and designing and implementing a communication strategy for the European Consensus. The UK’s objectives will be to support opportunities to increase the overall effectiveness of EU humanitarian aid without duplicating broader donor coordination mechanisms and fora. A priority for the Italian Presidency will also be improving cooperation between civil protection and humanitarian aid within the EU. The UK thinks that good progress has already been made in this area, but we are supportive of increasing complementarity between the two tools whilst recognising their distinct objectives and methodologies. Other priorities for the Italian Presidency include the prevention of sexual violence in conflict, the protection of women and children and resilience. These are high priorities for the UK and we will be very supportive of enhanced EU action in these areas.

14 July 2014

**UPDATE ON THE TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (UNNUMBERED)**

**Letter from Lord Livingston of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills, to the Chairman**

I am writing to update you on the progress made on the Transatlantic Trade and Investment Partnership (TTIP).
The fifth round of negotiations took place in Arlington, Virginia on 19-23 May. The lead negotiators were openly upbeat about the progress being made, with talks having mostly moved away from a conceptual phase to more technical discussions. However, in some areas the pace of progress needs to accelerate.

There was clarification of the initial tariff offers, and a second set of offers are expected at the next round. There were productive discussions on regulatory coherence both at the horizontal and sectoral levels, notably in the pharmaceutical and automotive sectors, two of the UK’s priorities. On public procurement - a key area for many EU Member States - discussions on state level procurement are especially sensitive, notably ahead of the mid-term elections, with the US not yet fully engaging with the states.

As with the previous round, two well received stakeholder events took place. The first event was an opportunity for organisations, representing a broad cross section of interests from the EU and US, to present directly to the lead negotiators of both sides issues of concern in their respective areas. This was followed by a debriefing by the chief negotiators to stakeholders followed by a Q&A session.

To keep on track for a deal in 2015, we need to make significant technical progress by the end of this year. We are increasing pressure on the Commission to plan a path through the technical work, and continue to offer our support in the US and with other EU Member States.

The next round is expected to start 14 July. We expect that progress at this round will be crucial. This will be followed by a political stocktake between Commissioner De Gucht and Ambassador Froman in the Autumn, by which time we hope the EU and US will have begun to develop some shared objectives, particularly on public procurement and regulatory coherence.

The next rounds of negotiations will also play out in a changing political landscape in both the EU and the US. We therefore need to make swift progress whilst the politics are right. The EU has a new Parliament (which is still controlled by parties that are largely supportive of TTIP), and will have a new College of Commissioners towards the end of this year. The US will have mid-term elections on 4 November, and the attention of both the administration and Congress are currently focused on the Trans-Pacific Partnership (TPP), for which a deal has been repeatedly delayed, and Trade Promotion Authority (TPA), which means that completed deals (including TTIP) will only be subject to a single Yes/No vote in Congress, rather than amendments which risk reopening the details of the agreement. TPA also sets out the negotiating objectives of Congress, and it is therefore similar to the mandate negotiation in the EU. We do not expect TPA to be passed before the mid-term elections.

17 June 2014

Letter from Lord Livingston of Parkhead to the Chairman

With the seventh round of negotiations currently underway, I am writing to update you on the progress made on the Transatlantic Trade and Investment Partnership (TTIP).

The negotiating round of 14-18 July in Brussels covered all areas with the exception of investment protection and investor-state dispute settlement (ISDS), tariffs and financial services. The lead negotiators were positive about good progress being made, with productive technical discussions building on the work of the previous rounds.

Our assessment of the round is that useful progress has been made in important areas, with discussions beginning to move away from preliminary exchanges to discussion of texts. There continue to be differences between in EU and US ambition in public procurement and financial services, areas of priority for the UK. Discussions are likely to become more difficult especially as we get into the technical detail. However, this is to be expected given the stage of the negotiations, and we will continue to support the Commission to press for an ambitious deal.

In regulatory coherence, we have begun to see constructive technical exchanges involving EU and US regulators, both in horizontal and sectoral discussions. There was good progress particularly in the pharmaceuticals and chemicals sectors, two important areas for the UK. The first, largely exploratory, discussions were also held on sanitary and phyto-sanitary issues. There were also productive discussions in customs and trade facilitation, where there was agreement between both sides on more technical issues. We now expect the EU and US to work together to produce the first consolidated texts in some areas where discussions are more advanced.

The EU and the US also exchanged services offers ahead of the around. A first discussion was held, where both sides explained and clarified their respective offers. In particular, the US asked detailed and largely tactical questions about the EU offer to question its level of ambition. We expect a further discussion at the negotiating round this week.

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There continue to be numerous challenges, including public procurement, where discussions were again restricted to federal level procurement, and where the US remain reluctant to engage with the states ahead of their mid-term elections. The US are also continuing to be reticent about the inclusion of financial services, a priority for the UK, stating that direction at a political level is required before any progress can be made.

As with the previous round, the negotiators held a stakeholder event where organisations representing a broad spectrum of interests were invited to present their issues of concern, followed by a debriefing by the chief negotiators. Responding to calls for greater transparency in the negotiations, the European Commission has also published a state of play document outlining progress in each area of TTIP. This can be found at http://trade.ec.europa.eu/doclib/html/152699.htm.

The Government is continuing to increase its communications efforts in response to increasing volume and media coverage of public concerns about TTIP. Recent concerns have centred around the potential impact of TTIP on the NHS and other public services, on investor protection and the right of governments to regulate, and on a potential lowering of regulatory standards. The Government is implementing a comprehensive communications strategy to highlight the benefits of TTIP for consumers and businesses, as well as to emphatically refute accusations and claims about negative consequences of TTIP. Vince Cable recently wrote to all Members of Parliament to clarify these points, and he, other Ministers and myself will continue to meet with industry and civil society group representatives to convey these messages.

The current (seventh) negotiating round is likely to focus on regulatory issues and we are expecting further technical progress. However, there is likely to be little progress in some other areas, such as public procurement, ahead of the mid-term elections. I will write again following this round to update you.

The negotiating round will be followed by discussions between Commissioner De Gucht, EU Trade ministers and the US Trade Representative Michael Froman in mid-October. We hope that this political stocktake will be an opportunity for the EU and US to confirm some shared objectives, identify a clear path forward and task their regulators for further work so that an ambitious deal can be agreed in 2015.

Discussions in the coming months will take place against a background of political and institutional change. A new College of Commissioners is expected to take office on 1 November, subject to approval by the European Parliament. In the US, mid-term elections will take place on 4 November. We will continue to push the Commission to clearly identify the technical work which needs to be done for the rest of this year, to ensure that good progress is made, as well as directly engage with the US and other EU Member States to support the Commission and press for rapid progress.

1 October 2014

Letter from Lord Livingston of Parkhead to the Chairman

I am writing to update you on the progress made on the Transatlantic Trade and Investment Partnership (TTIP).

The seventh negotiating round took place between 29 September and 3 October in Chevy Chase, Maryland. As expected, negotiations were largely focused on regulatory issues. Discussions were mostly on a technical level, and also covered energy, small and medium sized enterprises (SMEs) and services.

There was useful technical progress, particularly on regulatory coherence, but little movement on substantive issues. This was to be expected, in the light of the upcoming mid-term elections in the US, as well as confirmation hearings of the new EU Commissioners. Nevertheless, this technical progress is crucial and prepares the ground for an ambitious and comprehensive agreement.

Discussions on horizontal regulatory coherence focused on issues in the rule-making process and establishing a framework for cooperation between EU and US regulators. Sectoral regulatory discussions again made good technical progress, particularly in pharmaceuticals and medical devices, where productive collaboration between EU and US regulators continued and both sides agreed to make progress on aligning inspection regimes.

Discussions on energy and raw materials were positive on a technical level, but the US remained adamant that an ambitious agreement was possible without the inclusion of a separate chapter for energy.
There was a substantial discussion on SME-specific provisions, where negotiators are working to identify specific and practical tools to enable SMEs to take advantage of the market access opportunities under TTIP.

There were brief discussions on market access, covering both goods and services (but not tariffs). Discussions on both sides' services offers continued from the previous round. Progress was slow, with the US again tactically pointing to a lack of clarity in the EU offer. Negotiators devoted discussions to explaining in detail all the elements of the offers. The US remains to be persuaded on the inclusion of financial services. The UK is continuing to work with the Commission to highlight the importance of greater regulatory coherence in this area, and demonstrate that this would not undermine existing processes which have been in place since the financial crisis.

There were also sessions on sanitary and phyto-sanitary issues, based on text tabled by the EU, as well as geographical indications, where again the US gave no ground.

As with previous rounds, the negotiators held a stakeholder day where industry and NGOs presented their issues of concern, followed by a debriefing by the chief negotiators. Importantly, both chief negotiators reiterated their approach to public services, emphasising that governments will remain free to decide how their public services should be run and that nothing in the deal would lower environmental, worker or safety standards.

Dan Mullaney, the US chief negotiator said:

_We heard the concern that our negotiations should not require privatization of public services such as water utilities, education, national healthcare, and that they not limit the ability of governments to regulate those services as they see fit; for example, to protect consumers, the environment, and health and safety. So we welcome the opportunity to confirm that the United States does not include such provisions in its trade agreements and will not do so in this negotiation._

Ignacio Garcia-Bercero, the EU chief negotiator said:

_I would stress that our approach to services negotiations excludes any commitments on public services: governments remain free to decide at any time that certain services should be provided by the public sector._

This echoed the position of the Trade Commissioner-designate, Cecilia Malmström, at her hearing before the European Parliament on 29 September. She confirmed that TTIP “is not about lowering any standards when it comes to consumer protection, environmental or health”. She reiterated that whether to open public services to competition would remain the decision of each Member State government. Commissioner-designate Malmström also stated that transparency of the TTIP negotiations and engagement with the public would form an important focus of her role. She is expected to take up her role from 1 November, and the Government will work closely with her and her officials to ensure that good progress is made and that UK priorities continue to be reflected in the EU's position.

In response to calls for further transparency, on 9 October the Council decided to make publicly available the TTIP negotiating mandate, a copy of which is attached [not printed]. The UK was in favour of publishing the mandate, as we see this as a useful step in pushing for improved transparency.

I attended an informal Trade Foreign Affairs Council meeting on 15 October, where the discussion between EU trade ministers focused on ISDS and the associated public concern across the EU. I reiterated our unwavering support for an ambitious agreement on TTIP, which was echoed by my colleagues. The meeting also included a session with the US Trade Representative, Michael Froman, where we reflected on some of the differences in position between the EU and the US. I expect the next meeting of EU trade ministers in November to take stock of the negotiations, particularly in relation to the scope as specified by the EU negotiating mandate, and set out an expected timeline for future progress.

The next negotiating round is expected in December or January next year. I will write again after this to update you on progress.

_17 October 2014_