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 23 January 2016 – 31 May 2016

EU EXTERNAL AFFAIRS SUB-COMMITTEE

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ACCESSION OF NEW ZEALAND TO THE AGREEMENT ON GOVERNMENT PROCUREMENT (13281/14)

Letter from the Chairman to Matt Hancock MP, Minister for the Cabinet Office and Paymaster General

I am writing to confirm that the above document has been cleared from scrutiny.

25 February 2016


Letter from Sajid Javid MP, Secretary of State for Business, Innovation and Skills and President of the Board of Trade, to the Chairman

I am writing to you with regard to the above Council Decision regarding the definition of ‘originating products’ and methods of administrative co-operation in the EU-Moldova Association Agreement.

This Decision has arisen as Moldova intends to join the Regional Convention on pan Euro-Mediterranean preferential rules of origin (PEM). This convention is an EU initiative to create the same rules for what constitutes the origin of a product for some forty countries (including the EU member states), ultimately spanning a geographical area from Norway to Morocco. The requested amendment to the Association Agreement would link this agreement with the PEM protocol, ultimately enabling Moldova to use inputs from other countries in their produce (including Albania, Macedonia, Montenegro and Serbia) to count as ‘made in Moldova’.
In discussion with your Clerk we were unable to identify a specific exemption category for this Decision, although the proposal has no financial or political impact on the UK and is largely technical in nature.

Unfortunately, the European Commission gave member states very little time to conclude internal scrutiny processes and asked the Council to adopt the proposal before Easter in exchange for Moldova’s effort to frontload a lot of their Deep and Comprehensive Free Trade Area implementation obligations. As a key supporter of the EU-Moldova Association Agreement, a UK abstention in the Council vote at General Affairs Council on 15 March would have sent a negative message to Moldova about the UK’s ongoing commitment to the Association Agreement. I therefore felt that I needed to override scrutiny on this occasion. I would like to thank your Committee for their understanding on this matter.

24 March 2016

COMPREHENSIVE STRATEGIC REVIEW OF COMMON SECURITY AND DEFENCE POLICY (CSDP) ENGAGEMENT IN SOMALIA (UNNUMBERED)

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

I submitted an Explanatory Memorandum (EM) on the EU Mission on Regional Maritime Capacity Building in the Horn of Africa (EUCAP NESTOR) on 18 November 2015. I thought your Committee would appreciate an update on CSDP operations in the Horn of Africa.

In January, the European External Action Service completed the Comprehensive Strategic Review of CSDP engagement in Somalia and the Horn of Africa, commissioned by Member States at UK instigation. The Review examined all three CSDP operations in the Horn of Africa: Operation ATALANTA (maritime security); EUCAP Nestor (land based maritime capacity building); and the EU Training Mission Somalia (support to the Somali National Army and Ministry of Defence) – the mandates for which are due to expire in December 2016.

The Strategic Review itself is classified as EU Restricted and cannot be shared with the Committees. However, on 15 February the FAC discussed the top-level Review recommendations and I attach a copy of the Council Conclusions [not printed]. You will see that the Council confirmed its intention to extend the mandates of all three missions by a further two years to 31 Dec 2018, subject to formal Council Decisions.

Working group discussions, to prepare the detailed planning documents and resource estimates required to support these Council Decisions, will start in March and are due to complete in late 2016.

Our approach to the Comprehensive Strategic Review was based on the following principles:

— The EU’s efforts should complement Somali (and internationally) agreed security sector development plans;

— CSDP missions should fulfill a clearly articulated role within the existing international coordination framework. They should complement, not duplicate, the efforts of other bilateral or multilateral partners, including UN Agencies;

— EU engagement should be closely aligned to the development of Somalia’s federal political settlement, and facilitate the relationship between Somalia’s Federal Government and Regional Administrations, ensuring there is consultation and ‘buy-in’.

In pursuit of the following objectives:

— Capability to suppress piracy off the coast of Somalia;

— Development of effective Somali maritime security legislation, policy and doctrine;

— Effective, targeted capacity building in the Somali MOD and Somali National Army senior command;
Effective training to support the development of the Somali National Security Forces, including training delivered outside Mogadishu as and when security conditions allow.

Officials engaged with the EEAS and key EU Member States in order to influence the Review, to ensure that, post-2016, the three missions will be fit for purpose and better coordinated. The top-level Review recommendations (endorsed by the 15 Feb FAC Conclusions) are consistent with UK objectives for the three missions.

**Operation ATALANTA** has been highly effective to date with no successful attacks since May 2012, in part due to good coordination with other naval operations and the link with industry and best management practice. However, the capability of the pirates remains and there is a need to sustain the deterrent effect of naval assets at sea. Therefore the Review recommends that ATALANTA continue, albeit with a reduced naval operation while retaining the capacity to scale up should piracy resurge. The Review recommendations also protect the UK-operated “Maritime Security Centre – Horn of Africa” as a vital link between the maritime operation and industry. We judge this a realistic and sensible outcome, which recognises that there will be a natural reduction in naval assets over the course of time, as activity is refocused elsewhere. However we will continue to engage both to ensure there is no premature closure of the operation or significant draw down which might lead to a resurgence of piracy in the Horn of Africa and to retain UK command of this EU Operation (based at Northwood). Options for a review of the command and control structure and a revised statement of requirements should be discussed by the end of June 2016, for implementation before the end of the current mandate.

**EUCAP NESTOR**’s success (along with other factors) should enable the eventual drawdown and closure of ATALANTA. The current Mission has made progress in drafting maritime legislation and has delivered some training but poor staffing-levels and limited Somali buy-in have seen it struggle to deliver against its broad mandate. However there continues to be an important role for a civilian maritime mission and UK lobbying during the Review to reset the Mission with a view to bringing the Federal Government onboard has resulted in a decision to rename it EUCAP Somalia. It will be refocused on core tasks - supporting Somali agreement of a maritime security strategy and corresponding legislative framework, as the necessary pre-requisite for subsequent capacity building, to include domestic counter piracy capability. After a comprehensive needs assessment, due by end June, a new Operational Plan and Mission structure should be discussed and agreed no later than October 2016. We will be pushing for much tighter tasking, staffing levels and resource in support of the new phased approach to ensure fresh objectivity and more focused activity.

The EU Training Mission (EUTM) Somalia has performed well against its mandate, in terms of providing essential strategic advice, mentoring and training to the Somali National Army (SNA) and MOD. The prevailing security situation means it continues to face challenges in accessing key locations in Mogadishu and the regions, and it needs to work on securing equipment to support its training effort and tracking the soldiers it has trained (both of which, however, are largely not in their gift). Following the Review, the Mission will continue to shift its emphasis to the provision of strategic advice and direct support for SNA development by training Somali-integrated SNA formed units, rather than individual soldiers. We welcome this. It fits well with our assessment of where the EUTM adds value. We will ensure future planning is realistic and that there is a phased conditions-based approach, which takes into account evolving security conditions in Somalia.

Our objectives will continue to guide our negotiating strategy in the EU working groups which will be discussing the detailed planning documents, Council Decisions and budgets to establish the next round of mission mandates over the next few months. We will continue to keep the Committees updated.

29 February 2016

CONCLUSION OF CONSULTATIONS WITH THE REPUBLIC OF BURUNDI UNDER ARTICLE 96 OF THE COTONOU AGREEMENT (OTNYR)

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

I am writing with regard to the conclusion of consultations with Burundi under Article 96 of the Cotonou Partnership Agreement.
The official English version of the draft Council Decision will only be submitted to us on 8 March which is too late to clear the scrutiny process in time for the Foreign Affairs Council on 14 March. Therefore, I am submitting an unofficial English version of the draft Council Decision from the EU’s translation service for your Committee’s clearance. I will submit the official English version of the draft Council Decision to you when we receive it.

As detailed in the attached Explanatory Memorandum [not printed], the situation in Burundi continues to be of serious concern. The UK government has been lobbying since violence broke out in Burundi at the end of April, and particularly since the sham elections in July, for the Commission to move quickly on holding consultations under Article 96.

The frequency and degree of human rights violations, including targeting killings, expose the EU to significant risks by continuing to provide development assistance under the Cotonou Partnership Agreement. I therefore took the view that we should not miss this opportunity to act very quickly. There is a real risk that the situation in Burundi will spiral out of control.

It is regrettable that we will not receive the official English version of the draft Council Decision until 8 March. I have instructed my officials to raise these concerns with colleagues in the EU.

As you know, the responsibility to keep your Committee informed on issues concerning the EU’s response to violence and instability in Burundi is something I take seriously.

4 March 2016

COOPERATION AGREEMENT ON PARTNERSHIP AND DEVELOPMENT BETWEEN THE EU AND THE ISLAMIC REPUBLIC OF AFGHANISTAN (15503/15, 15504/15)

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

The External Affairs Sub-Committee considered the above documents at its meeting on 28 January, and cleared them from scrutiny. We look forward to receiving the final Council Decisions in due course.

28 January 2016

DRAFT ACTION PLAN STEPPING UP EU-TURKEY COOPERATION ON SUPPORT OF REFUGEES AND MIGRATION MANAGEMENT IN VIEW OF THE SITUATION IN SYRIA AND IRAQ (UNNUMBERED)

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

Further to our previous correspondence regarding the EU-Turkey Joint Action Plan on migration, and my Written Ministerial Statement of 7 March 2016, I am writing to update you and your committee on the Turkey Refugee Facility.

As you are aware, at the 29 November EU-Turkey Summit, the EU decided to establish a Turkey Refugee Facility, to provide coordinated and streamlined financial support for Syrians under temporary protection in Turkey and their Turkish host communities. The EU committed to provide €3bn to this new Facility during 2016 and 2017. In return, as set out in the EU-Turkey Action Plan, Turkey agreed to enhance its support for Syrians under temporary protection in Turkey and to strengthen cooperation with the EU on preventing irregular migration flows to Europe.

Final arrangements for the €3bn Turkey Refugee Facility have now been agreed by all EU Member States. The Facility will be funded by €1bn from the EU budget and €2bn bilateral contributions from Member States. Funding from the EU budget will be provided within previously agreed budget ceilings. Member States’ bilateral contributions are calculated according to their Gross National Income (GNI) share, ensuring funding will be provided on an equitable basis. The UK’s bilateral contribution will be €327m (around £250m). It will be Official Development Assistance (ODA) expenditure, counting towards the UK’s ODA target of 0.7% of GNI.

Member States have secured a strong role in the governance of the Facility and disbursements will be tied to Turkish efforts to implement the EU-Turkey Action plan. The €3bn Turkey Refugee Facility will provide immediate humanitarian support and is expected also to fund the schools, hospitals and
housing required over the longer term to support refugees and the communities in Turkey which host them.

UK officials participated in the first steering committee meeting of the Facility on 17 February. The committee agreed that the Commission should immediately use the 2016 EU budget contribution to the Facility to provide urgently needed humanitarian assistance to refugees in Turkey and increase access to education for refugee children. We expect implementation of the first projects under the new Facility to begin very shortly.

The UK looks forward to discussing further delivery of the EU-Turkey Action Plan, including support from the Turkey Refugee Facility, at today’s EU-Turkey Summit. My officials will also continue to be in close contact with both the Commission and Turkey as projects funded by the Facility are taken forward.

I am writing in similar terms to Sir William Cash MP, the Chair of the House of Commons European Scrutiny Committee, and Crispin Blunt MP, the Chair of the Foreign Affairs Select Committee.

7 March 2016

DUTCH PRESIDENCY PRIORITIES FOR DEVELOPMENT (UNNUMBERED)

Letter from Baroness Verma, Parliamentary Under-Secretary of State, Department for International Development, to the Chairman

The Dutch Presidency of the European Union commenced on 1 January 2016, following on from the Luxembourg Presidency. It launches a new Presidency Trio which will include Slovakia and Malta, and comes at an important time for the international development agenda as the EU and indeed the world begin the process of considering how to implement the Global Goals for Sustainable Development. I am taking this opportunity to update the Committee on the main development files in the Dutch Presidency’s work programme for the Working Party on Development Cooperation (CODEV), African, Caribbean, and Pacific Group of States (ACP) Working Group and the Council Working Party on Humanitarian Aid and Food Aid (COHAFAD) and to set out the UK’s objectives for them over the next six months.

WORKING PARTY ON DEVELOPMENT COOPERATION (CODEV) – MAIN DEVELOPMENT FILES IMPLEMENTATION OF THE GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

The UK welcomes the priority which the Dutch Presidency intends to give to progressing plans for internal and external implementation of the 2030 Agenda for Sustainable Development. A roadmap is expected to form the basis of further discussions on how to implement the Global Goals in EU external action, including in its development policy. The UK will emphasise the need to take a strategic and comprehensive approach, ensuring that implementation sits alongside any wider EU reviews of development policy such as the post-Cotonou negotiations. This will require effective coordinated effort across the EU architecture, bringing together all the EU’s tools - including aid, trade, and political dialogue - into a coherent whole, as well as stepping-up engagement with other actors such as the private sector and civil society.

MIGRATION AND DEVELOPMENT

The Netherlands has emphasised that responding effectively to the migration crisis is a key priority under their Presidency. The Dutch will ensure that there is an integrated response to the external aspects of migration, including addressing the root causes. They have emphasised the importance of ensuring the response takes into account the full range of EU policy areas and instruments in the implementation of the agreed EU measures and the Valletta Action Plan. A Commission communication on forced displacement and development is foreseen for adoption under the Dutch Presidency. The UK will continue to work with the EU on a clear development strategy underpinned by an evidence base for addressing the migration crisis, and will support the Netherlands in their integrated approach.

TRADE AND DEVELOPMENT

The Dutch Presidency has prioritised finding synergies between the overlapping fields of trade and development. In particular they are interested in sustainability in global value chains, including a strong
focus on addressing deforestation in supply chains for agricultural commodities. Two declarations to set this work in motion were adopted by the UK and four other EU Member States at a conference held in Amsterdam in December 2015. There will be follow up on the outcomes of this conference under the Dutch Presidency, where the UK will support efforts to build political momentum to address deforestation in supply chains and encourage other Member States to become involved in this agenda. The UK supports initiatives to encourage trade in sustainable value chains and in particular to encourage and facilitate participation of low-income countries.

As the EU’s foremost provider of Aid for Trade the UK will proactively engage in discussions on the scope of the EU’s Aid for Trade strategy revision. In the continuing negotiations for the EU's Free Trade Agreement with the USA we share an objective with the Netherlands to optimise benefits and minimise risks for low income countries. Following the successful World Trade Organisation Conference in Nairobi in December, we will work with the Netherlands to be at the forefront of influencing the EU’s follow-up to ensure the interests of developing countries remain a central consideration.

**CAPACITY BUILDING FOR SECURITY AND DEVELOPMENT AND SECURITY SECTOR REFORM**

Concrete proposals and timeline to follow up on the joint communication on Capacity Building for Security and Development (CBSD) and the accompanying implementation plan are expected to be presented to Member States by March 2016. The Netherlands will also follow up on the Commission’s and EEAS’ commitment to prepare an EU-wide strategic framework for Security Sector Reform (SSR) by mid-2016. The UK sees CBSD as a significant opportunity to incorporate a more “developmental” approach to SSR, which goes beyond training and equipping third parties to include long-term transformational interventions.

**CODEV – OTHER DEVELOPMENT FILES**

**JOINT PROGRAMMING**

The Netherlands will continue discussions on joint programming, which the UK supports in principle but maintains the need for a pragmatic and country-specific approach. Participation in joint programming should remain optional.

**GENDER EQUALITY AND WOMEN’S EMPOWERMENT, INCLUDING SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS**

The Dutch Presidency will continue to work on gender equality and women’s empowerment (GEWE) following the adoption of the Gender Action Plan 2016-2020 in October 2015. A report by the Commission on elements related to Sexual and Reproductive Health and Rights (SRHR) in the EU’s development policy is expected under the Dutch Presidency. The UK has been a key player in shaping the Commission’s work on GEWE and will continue to play a critical role in influencing this important agenda, including on SRHR where the UK wants to see real and ambitious progress.

**FOOD AND NUTRITION SECURITY**

The second implementation report on policy commitments on food and nutrition security is expected to be presented in April 2016. The UK welcomes the next implementation plan’s focus on enhancing nutrition (in particular for mothers, infants and children) and inclusive agrifood chains and systems, and will continue to work with the EU to make progress on this agenda.

**GLOBAL PARTNERSHIP FOR EFFECTIVE DEVELOPMENT COOPERATION (GPEDC)**

The Commission has been a consultative and effective member of the Global Partnership’s Steering Committee, representing EU Member States. We welcome the fact that the Dutch Presidency will continue to consult with Member States and collate the EU position on the GPEDC in advance of the Steering Committee meeting on 29 February. The Commission will be expected to inform the group on the results of the meeting and make suggestions regarding the way forward to the Ministerial Conference scheduled for November 2016.

**ANNUAL REPORT ON OFFICIAL DEVELOPMENT ASSISTANCE (ODA) TARGETS**

The Council will consider the annual OECD Development Assistance Committee (DAC) figures for ODA in the context of development financing with a view to preparing the Annual Report on EU Aid
Targets for the European Council. As one of only four EU Member States to meet the collective EU target to commit 0.7% of Gross National Income (GNI) to ODA by 2015, the UK is keen to encourage other Member States to follow suit, in particular, fulfilling the EU commitment to collectively meet the UN target to provide 0.15-0.2% of ODA/GNI to the Least Developed Countries (LDCs) in the short term.

RESULTS FRAMEWORK

Information about the “EU International Cooperation and Development: First report on Selected Results, July 2013 – June 2014” will be presented early in the Dutch Presidency. The UK has been instrumental in the development of the EU results framework and looks forward to receiving the first results, which will be communicated to the European Scrutiny Committee when available.

AFRICAN, CARIBBEAN, AND PACIFIC GROUP OF STATES (ACP) WORKING GROUP
POST-COTONOU

The Netherlands will continue discussions on the future of the relationship between the EU and the ACP after the Cotonou Agreement expires in 2020. The outcomes from the Commission’s public consultation are not now expected to become available under the Dutch Presidency, but the UK will support the Netherlands in pressing for on-going open and informed discussions at both technical and Ministerial level, and for opportunities for the ACP countries to be included in the debate at an early stage.

ARTICLE 96 BURUNDI

The EU opened consultations with the Burundian authorities in December 2015 under Article 96 of the Cotonou Agreement, as a result of a violation of the Agreement’s essential elements (human rights, democracy and the rule of law). Article 96 consultations have since closed and the Council will adopt a decision on the application of appropriate measures. These measures will identify the development programmes and implementation modalities to be suspended, as well as establishing the conditions for resumption of full development cooperation. The UK fully supports the approach taken by the EEAS/Commission, whereby future development cooperation is entirely dependent on the willingness of the government of Burundi to preserve peace, and consolidate democracy and the rule of law.

AFRICAN PEACE FACILITY (APF)

The Dutch Presidency will work to reach a decision on the financing of the APF until 2017, with discussions also starting on the future APF action plan 2017-2020. Supporting African-led peace, security and stabilisation efforts through the APF remains a top UK priority, and the UK will continue to ensure sustainable financing for these operations.

ECONOMIC PARTNERSHIP AGREEMENTS (EPAS)

Council Decisions to authorise the signature and provisional application of EPAs with the Southern African Development Community (SADC) and East African Community (EAC) are expected in the first quarter of 2016. The UK supports the Netherlands in their focus on ensuring EPAs in Africa are signed under their Presidency.

COUNCIL WORKING PARTY ON HUMANITARIAN AID AND FOOD AID (COHAFA)

The Dutch Presidency has recognised that the first World Humanitarian Summit, Istanbul 23-24 May 2016, will have an important role to play in galvanising commitment to transform humanitarian action and ensure the humanitarian system is organised and financed to respond more effectively to the range and scale of global crises. Preparations for the Summit will be a key focus of the Presidency-led discussions in COHAFA, in addition to the monitoring of ongoing emerging and protracted humanitarian crises and advancing the implementation and promotion of the European Consensus on Humanitarian Aid.

Throughout the Presidency, emphasis will also be placed upon the role of innovation in humanitarian assistance, protracted emergency situations, and the position of women and girls in crises. 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. The UK will support
opportunities to reform humanitarian financing mechanisms and deliver an ambitious and innovative outcome at the World Humanitarian Summit.

All development areas of the Dutch Presidency are high priorities for the UK and we will be very supportive of enhanced EU action where appropriate, whilst maintaining UK competence as necessary.

3 February 2016

EU FOREIGN AFFAIRS COUNCIL - 2 FEBRUARY 2016 - POST-COUNCIL WRITTEN MINISTERIAL STATEMENT (UNNUMBERED)

Letter from Lord Maude of Horsham, Minister of State for Trade and Investment, Department for Business, Innovation and Skills and Foreign and Commonwealth Office, to the Chairman

I represented the UK at the Informal Foreign Affairs Council (Trade) in Amsterdam on 2 February. Please see attached a Post-Council Written Ministerial Statement, which will be laid in both Houses on Tuesday 9 February.

ATTACHMENT: POST-COUNCIL WRITTEN MINISTERIAL STATEMENT:
INFORMAL TRADE FOREIGN AFFAIRS COUNCIL 2 FEBRUARY 2016

I represented the UK at the Informal EU Foreign Affairs Council (Trade) in Amsterdam on 2 February 2016. A summary of those main discussions follows.

CHINA MARKET ECONOMY STATUS (MES)

Trade Commissioner Malmström presented the arguments on both sides of the EU granting China “market economy status” (MES) within the WTO and set out how to do so would change the methodology for calculating new anti-dumping measures. The Commission would carry out further impact assessment work on this matter and continue to consider the different approaches the EU could take to granting MES to China.

Discussion revolved around the need for good evidence gathering and analysis, and consideration of how to protect a sufficiently wide range of EU industries going forward from any unfair competition.

I said that if we wanted China to abide by its international obligations, then we needed to do the same. That said, the EU was right to continue to explore how to tackle unfair trade and to continue encouraging the Chinese to address domestic distortions and overcapacity, notably in the steel sector.

TTIP

Malmström said conclusion by the end of the Obama Administration would require us to address all but the most sensitive “endgame” issues before the summer. Progress had been better in some areas than others. The Commissioner referred to a possible “stock-take” before the summer. It was within the context of tough negotiations on procurement with the US and others that the Commission had revised its proposal for an International Procurement Instrument (IPI) which would be considered by future Trade FACs.

All Member States spoke in favour of an ambitious and balanced agreement. I said the US seemed genuine about wanting a deal this year and that we should seize the opportunity lest it disappear for some time.

THE WTO AGENDA

The Commissioner said that the outcome of Nairobi had surpassed expectations, demonstrating that the WTO could still deliver. Discussions in Davos had confirmed this view. It was in the EU’s interest to try to reinforce the multilateral agenda but there was a need for debate on which issues to pursue and how. The Commissioner mentioned digital trade and e-commerce, investment and competition as possibilities, preferably for multilateral negotiations; open plurilaterals were the next best option. Member States broadly welcomed the Commissioner’s assessment.
Member States also underlined the importance of WTO Members ratifying and implementing of the Agreement on Trade Facilitation, agreed at the Bali Ministerial in 2013. Around a further 40 ratifications are needed for the new Agreement to enter into force.

17 February 2016

EU FOREIGN AFFAIRS COUNCIL - 13 MAY 2016 - PRE-COUNCIL WRITTEN MINISTERIAL STATEMENT (UNNUMBERED)

Letter from Lord Price CVO, Minister of State for Trade and Investment, Department for Business, Innovation and Skills and Foreign and Commonwealth Office, to the Chairman

The EU Foreign Affairs Council (Trade) will take place in Brussels on 13 May. I will represent the UK. Please see attached a Pre-Council Written Ministerial Statement which is being laid in Parliament.

ATTACHMENT: PRE-COUNCIL WRITTEN MINISTERIAL STATEMENT: EU FOREIGN AFFAIRS COUNCIL 13 MAY 2016

The EU Foreign Affairs Council (Trade) will take place in Brussels on 13 May 2016. Lord Price will represent the UK.

In relation to WTO Post Nairobi work, the Council will discuss latest developments regarding the Doha Development Agenda and new issues, and the EU-strategy towards MC11 on the basis of a paper by the Commission.

The Council will discuss the state of play in the TTIP negotiations and next steps.

The Council will also discuss the trade-related aspects of the recent Communication on steel.

On the EU Canada Comprehensive Economic and Trade Agreement (CETA) the Council will reflect on the achieved result and discuss the next steps towards signature and provisional application.

12 May 2016

EU FOREIGN AFFAIRS COUNCIL - 13 MAY 2016 - POST-COUNCIL WRITTEN MINISTERIAL STATEMENT (UNNUMBERED)

Letter from Lord Price CVO, Minister of State for Trade and Investment, Department for Business, Innovation and Skills and Foreign and Commonwealth Office, to the Chairman

I represented the UK at the Foreign Affairs Council (Trade) in Brussels on 13 May. Please see attached a Post-Council Written Ministerial Statement, which will be laid in both Houses on Thursday 26 May.

ATTACHMENT: POST-COUNCIL WRITTEN MINISTERIAL STATEMENT: TRADE FOREIGN AFFAIRS COUNCIL 13 MAY 2016

I represented the UK at the EU Foreign Affairs Council (Trade) in Brussels on 13 May 2016. A summary of the main discussions follows.

EU-CANADA COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA)

Trade Commissioner Malmström introduced CETA and made clear that the EU now needed to implement the deal. The Commission intended to sign the deal at the end of October at the EU-Canada Summit. A consent vote in the European Parliament would then follow in late 2016, or early 2017. I urged rapid implementation of CETA. I and most of my counterparts from other Member States were of the view that this trade agreement should be mixed as it contained areas of Member State competence.
TTIP

Commissioner Malmström highlighted good progress on some areas but that work remained on others. The Commissioner’s aim was to finalise TTIP under the Obama Administration. Before the summer, negotiators were therefore working towards full consolidated texts in most areas. The EU was also pushing for a new US procurement offer.

All Member States reiterated their desire for a balanced and ambitious agreement. I pressed for conclusion of an ambitious deal in 2016, pointing out that with projected economic gains from TTIP of €250 billion globally, each month’s delay was €8 billion foregone for the EU economy. I signalled the UK’s desire to see the Commission table a market access offer in financial services.

TRADE-RELATED ASPECTS OF THE RECENT COMMUNICATION ON STEEL

Commissioner Malmström outlined the Commission’s response so far to the steel crisis, and went on to set out the latest Commission ideas for disapplying the ‘Lesser Duty Rule’ (LDR), and redefining the methodology for calculating the injury caused to industry. She finished by announcing that the Commission had that day launched an anti-subsidy investigation into Chinese imports of hot-rolled coiled steel.

Discussion revolved around whether LDR needed to be disappplied in extreme cases. I lauded the Commission’s efforts on the steel crisis so far, including the announcement on hot-rolled coiled steel. I said that trade defence modernisation was needed, and the UK was keen to play a constructive role in finding a solution. But on LDR, the evidence suggested that the rule had been working and had delivered the right results.

WTO POST-NAIROBI

In preparation for the 11th WTO Ministerial Conference (December 2017), Commissioner Malmström said the EU should focus on the areas where it could add most value, i.e. on the development of rules rather than market access negotiations, and on sectoral initiatives.

26 May 2016

EU FREE TRADE AGREEMENT WITH PERU AND COLOMBIA (OTNYR)

Letter from the Chairman to Lord Maude of Horsham, Minister of State for Trade and Investment, Department for Business, Innovation and Skills and Foreign and Commonwealth Office

Thank you for your letter of 18 January 2016, in reply to my letter of 17 December 2015 regarding the provisions of FTA with Colombia and Peru and the lack of a formal sanctions mechanism within such agreements.

I enclose a letter from Frances O’Grady, General Secretary of the Trade Union Congress [not printed] on this matter. She advocates that “a binding dispute settlement mechanism backed up with the possibility of a meaningful fine or trade sanctions are necessary in trade agreements in order to ensure labour standards are respected”. I would welcome your response to this assertion.

25 February 2016

EU-TURKEY SUMMIT (OTNYR)

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

Thank you for your letter to me of 9 March 2016 in response to my letter of 8 February 2016 in which you confirmed you were content to clear the documents relating to the Annual Enlargement Package from scrutiny.

Further to the statement by the Leader of the House of Lords on 21 March, I wanted to update you on the outcomes of the 7 March EU-Turkey summit, as requested in your letter, and the agreement reached on 18 March between EU leaders and Prime Minister Davutoğlu.
The EU and Turkey have now agreed to cooperate in order to prevent migrants from leaving Turkey; to seek to intercept those who do leave, while they are at sea, and to turn back their boats; and to return to Turkey those who make it to Greece. There can be no guarantees of success, but if this plan is properly and fully implemented, it would break the business model of the people smugglers by cutting the link between getting in a boat and getting settlement in Europe.

To go into more detail, under the plan Turkey and the EU will:

— Return to Turkey all new irregular migrants crossing from Turkey into Greek islands, subject to EU and international law and assessments of asylum applications;
— Resettle in the EU one Syrian refugee for every Syrian returned from Greece to Turkey, up to a limit of 54,000 additional persons on top of 18,000 places remaining from existing EU resettlement commitments;
— Take measures to prevent new sea or land routes for illegal migration from Turkey to the EU;
— Accelerate Turkey’s Schengen area visa liberalisation roadmap, with a view to lifting visa requirements for Turkish citizens by June 2016;
— Speed up disbursement of the agreed €3bn of additional support to Turkey and mobilise an additional €3bn of EU support once the initial €3bn is used in full for the purpose intended;
— Continue to work on upgrading the EU-Turkey Customs Union;
— Continue to re-energise Turkey’s accession process, including by opening Chapter 33 of Turkey’s accession negotiations during the current Netherlands Presidency of the EU; and,
— Continue joint endeavours to improve humanitarian conditions inside Syria.

Of course, full and proper implementation of this plan, including the effective co-ordination of all of the offers of support from around Europe, will be vital, and the UK will continue to push strongly for this. The EU has confirmed that all elements of the agreement will be taken forward in parallel by Turkey and the EU, and jointly monitored on a monthly basis. The agreement must be compliant with international law and with international norms. That is exactly what the European Commission, the European Council and all the countries that are helping Greece will make sure is going to happen.

I would like to explain what the plan means for the UK. We are contributing our expertise and our skilled officials to help with the large-scale operation now under way. Royal Fleet Auxiliary ship Mounts Bay and Border Force vessels are already patrolling the Aegean; British asylum experts and interpreters are already working in Greece to help them process individual cases; and the UK will be committing its share to the existing Turkey Refugee Facility. Officials will continue to assess the developing situation, and we stand ready to consider offering further assistance to Greece and Turkey. Our share of any additional money which will go to helping refugees in Turkey under this agreement will come from our existing aid budget.

It is also important to be clear about what the UK is not doing as a result of the EU-Turkey Summit. First, we are not giving visa-free access for Turks coming to the UK. Schengen countries are planning to give visa-free access to Turks, but because we are not part of Schengen we are not bound by their decision. Visa-free access to Schengen countries will not create a back-door route to Britain because it only provides the right to visit Schengen countries; it does not mean a right to work or to settle. Second, we will not be taking in more refugees as a result of the agreement reached with Turkey. A number of Syrians who are in camps in Turkey will be resettled into the Schengen countries of the EU, but again, that does not apply to the UK. We already have a programme to resettle 20,000 Syrian refugees over this Parliament, and we are delivering on it.

The decision by the European Council on 18 March to open negotiations on Chapter 33 of Turkey’s EU accession process during the Netherlands’ Presidency of the EU is consistent with the UK’s support for Turkey’s EU accession process. That process remains the most effective mechanism for continuing reform in Turkey. Of course, all Member States continue to have a veto at every stage of the accession process. As the Prime Minster said to the House of Commons on 21 March, Turkey’s accession to the EU is not remotely on the cards for many years to come.

I would also like to draw your attention to another aspect of the March European Council and the EU-Turkey Summit. The Council Conclusions underline the importance of Turkey’s commitment to democracy, to freedom of speech, and to a free press. At the earlier EU-Turkey Summit, this was
The UK will continue regularly to raise these issues with Turkey.

24 March 2016

EUROPEAN CLIMATE DIPLOMACY (UNNUMBERED)

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

I am writing to inform you of the EU’s ‘Climate Diplomacy Action Plan’: a working document produced by the European External Action Service (EEAS) and European Commission for consideration by EU Member States.

The plan proposes continued EU foreign policy measures and actions to encourage implementation of the global agreement on climate change reached in Paris in December 2015. The Foreign Secretary reaffirmed the importance of continuing this diplomacy at the EU Foreign Affairs Council on 15 February, at which conclusions setting out the parameters of the action plan were adopted.

The UK supported EU climate diplomacy plans ahead of COP21 to help deliver our objectives for an agreement that kept us within reach of limiting global temperature rises to 2 degrees. That reduces the risk of dangerous climate impacts affecting the UK and our international partners. It also signals the transition to a low carbon economy from which the UK is well placed to take advantage. The Paris Agreement at COP21 was a good outcome for the UK.

The plan will increase EU credibility when pressing for the implementation of the Paris Agreement with other countries. There is much in the plan that could help to improve the co-ordination of foreign policy resource in support of HMG climate goals. While supporting further cooperation in areas that will add value, the UK will continue to work to ensure that developments in this area do not change the balance of competence between Member States and the EU on climate change. We will also stress the importance of making the most effective use of existing EU foreign policy resources.

Whilst officials are working with the EEAS to develop an elaborated action plan, I wanted to outline our approach and assure you we will remain alive to any potential future scrutiny implications.

25 February 2016

EUROPEAN UNION SPECIAL REPRESENTATIVE FOR THE MIDDLE EAST PEACE PROCESS (OTNYR)

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

I am writing with regard to the EU Council Decision on the proposal of the High Representative of the Union for Foreign Affairs and Security Policy to the Council for a Council Decision on the European Union Special Representative for the Middle East Peace Process (EUSR MEPP). The Council Decision sets out the renewed mandate and budget for the EUSR for a 10 month period to bring this EUSR’s mandate cycle into line with those of EUSRs for other geographical areas.

As detailed in the attached Explanatory Memorandum [not printed], the outlook for progress on direct negotiations between Israel and the Palestinians in the immediate future is bleak. However, the EUSR’s efforts focused on preserving the two state solution and driving practical improvements on the ground are in line with UK policy and support our own bilateral work in Israel and the Occupied Palestinian Territories.

As the only multilateral actor, aside from the UN Special Coordinator, to be based in Jerusalem, the EUSR benefits from high level access and has established and maintained a regular dialogue with key Israeli, Palestinian and regional stakeholders. He has worked through the Quartet to press Israel to allow for greater Palestinian control and subsequent economic development in Area C of the West Bank, while ensuring that legitimate Israeli security concerns are addressed. On Gaza, the EUSR has used his contacts to underline the need for substantive progress. The EUSR has also urged the Palestinian Authority to make progress on reconciliation and returning to Gaza as securing a durable ceasefire in Gaza is also dependant on these factors.
In the coming weeks, the EUSR will continue to work with the Quartet, including on preparation of a report on the current situation with recommendations on ways to support the two-state solution. He will also take forward his work on the following priorities: progress on Gaza; protecting and strengthening the two-state solution; building a regional approach; and supporting a common international effort for building a path back to serious negotiations. This work is in line with UK priorities.

The proposed budget for 2016/17 represents an overall 24% pro rata monthly decrease from FY 2015/16. This is mainly due to a significant reduction in running expenditure following the EUSR’s decision to co-locate his office with the EU Delegation in both Jerusalem and Tel Aviv, rather than set up his own office. The total number of staff is the EUSR and six others, based in Jerusalem, Tel Aviv and Brussels.

16 March 2016

EUROPEAN UNION MILITARY TRAINING MISSION IN THE CENTRAL AFRICAN REPUBLIC (OTNYR)

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

Thank you for your Explanatory Memorandum of 10 March regarding the above document, which was considered by the EU External Affairs Sub-Committee at its meeting on 14 April 2016. We are content to clear the document from scrutiny.

We understand that a further Council Decision will be required to launch the mission, and look forward to scrutinising that proposal in due course. We also would like, in due course, to be provided with the Government’s assessment of the situation in the CAR after President-elect Touadera has taken office later this month. Given the importance of local buy-in to achieving meaningful security sector reform, we would also welcome an update on engagement with his administration regarding the EU mission, and priorities for security sector reform in the CAR.

14 April 2016

Letter from David Lidington MP to the Chairman

Thank you for your letter of 14 April. The Council Decision to establish a European Union military training mission in the Central African Republic was adopted on 19 April, and published in the Official Journal on 20 April. I attach the final version of the Council Decision [not printed].

I also attach the Limité Council Decision to authorise the High Representative to open negotiations with the Central African Republic [not printed] in order to conclude an Agreement on the status of the European Union military training mission in the Central African Republic, adopted on 19 April. This 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 Limité 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 draft Council Decision to launch the European Union military training mission in the Central African Republic and the Status of Mission Agreement (SOMA), as negotiated, will be submitted for scrutiny in due course.

Presidential elections passed off peacefully with President Touadera inaugurated on 30 March. The second round of legislative elections will take place on 15 May. President Touadera has appointed his government. The security situation across the Central African Republic is relatively calm but remains fragile. Some protests have taken place in Bambari with the Muslim community denouncing their underrepresentation in the new government. With half the population considered as food insecure and in need of urgent humanitarian assistance, the needs of the population and refugees will remain a priority for the UK, EU and wider international community.

President Touadera has stated that Security Sector Reform will be a priority for his government along with Disarmament, Demobilisation and Reintegration; and economic reform. Minister of Defence, Joseph Yakete, appears keen to work with the EU and has met with the Mission Commander for the EU military advisory mission, General Laugel, on several occasions to discuss the training mission, its
objectives and the measures the government needs to take to continue the reorganisation of the FACA.

4 May 2016

INTEGRATED BORDER ASSISTANCE MISSION IN LIBYA (EUBAM LIBYA) (OTNYR)

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

Recalling your letter of 10 September 2015 and the Committee’s interest in EUBAM Libya and more widely in EU/Libya policy, I thought it would be useful to write to you with an update on EUBAM Libya.

As you are aware, EUBAM Libya was launched in May 2013, with a two year mandate to help the Libyans to improve their border security. We have previously been clear that the UK’s preference has been for EUBAM to be closed and replaced by a new mission tailored more closely to a new Libyan Government’s needs. Delivery of EUBAM Libya’s mandate has proved challenging, not least because of the deterioration in the security situation within Libya. The previous EU Council Decision of 16 November 2015 agreed to extend EUBAM’s “on hold” status for a further three months until 21 February 2016, with no regeneration. Following this, the EEAS was tasked to look into the full range of options to succeed EUBAM Libya. Earlier this month the EEAS set out a number of options including the closure of EUBAM and either reinforcing the EU Delegation in Tunis with EEAS and/or seconded national experts; or closure of EUBAM and developing civilian expertise to mirror the EU Planning Cell. The EEAS also suggested assigning additional tasks to EUBAM and using it as a means to deliver additional civilian expertise to inform strategy for possible future EU engagement. This was the EEAS’ preferred option.

The EEAS recommended that Member States agree to extend EUBAM Libya with a revised mandate to provide civilian planning expertise to inform future EU engagement, with a view to the mission potentially evolving into a civilian capacity building and assistance mission. Key concerns have centred around the negative signals that closing EUBAM would send to the Libyans at this sensitive stage of the government formation process. Consequently, there was strong support from many EU Member States for adapting EUBAM Libya. Against this background, and the potential impact that this could have on achieving our objectives on other CSDP missions, we felt that it was not the right time to be pushing for EUBAM’s closure. We also share some of the concerns around the messages that closing EUBAM Libya at this time would send. On 19 January 2016 the UK supported the EEAS proposal to extend EUBAM Libya with a revised mandate at the Political and Security Committee.

Whilst this does see EUBAM Libya being extended for a further six months until August 2016, the difference now is that it is being extended firstly to provide a civilian planning capacity, and secondly, to potentially develop into a capacity building and assistance mission. We made clear our expectations to see a real change to EUBAM Libya as it was not originally designed to be a planning mission, stressing the need for the EU to work in close co-ordination with the UN Support Mission in Libya and other stakeholders, and asked that the PSC be kept updated regularly on the Mission’s work. This has been reflected in the revised Council Decision and operational text for the Mission. We judge that this compromise offers enough scope for the comprehensive design of CSDP support to Libya. Further details on the resourcing of EUBAM Libya for the period of 22 February to 21 August 2016 are provided in the Explanatory Memorandum.

27 January 2016

RESTRICTIVE MEASURES AGAINST IRAN (UNNUMBERED)

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

I am writing regarding the attached EU Council Decision [not printed] which confirms the application date of Council Decision (CFSP) 2015/1863.

On 18 October 2015, the Council decided to terminate the implementation of all EU nuclear-related economic and financial sanctions on Iran, by Council Decision (CFSP) 2015/1863. The termination of these sanctions was to take place at the same time as the International Atomic Energy Agency (IAEA)
verified that Iran had taken the agreed steps on its nuclear programme as specified in the Joint Comprehensive Plan of Action (JCPOA).

On 16 January 2016, the IAEA confirmed that Iran had taken the agreed steps on its nuclear programme. The attached Council Decision [not printed] was then adopted confirming the application date of Council Decision (CFSP) 2015/1863 as 16 January 2016 (‘Implementation Day’) and terminating the implementation of all EU nuclear-related economic and financial sanctions from that date.

I am aware of the Committee’s interest in documents relating to the EU sanctions regime against Iran, and I take the responsibility to keep your Committee informed on these issues extremely seriously.

Unfortunately, due to the importance of ensuring that EU sanctions relief occurred at the same time as the IAEA verification of Iran’s compliance with the JCPOA and the short timescales involved, I regret that the use of a ministerial override of Parliamentary scrutiny was unavoidable on this occasion.

26 January 2016

Letter from the Chairman to David Lidington MP

The External Affairs Sub-Committee considered the above document, the accompanying Explanatory Memorandum and your letter at its meeting of 25 February. Thank you for setting out the reason for the override which, in this case, we agree was justifiable and unavoidable.

We are content to clear the proposal from scrutiny.

25 February 2016

RESTRICTIVE MEASURES AGAINST THE DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA (UNNUMBERED)

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

I am writing with regard to the aforementioned EU Council Decision and Commission Implementing Regulation concerning sanctions against the Democratic People’s Republic of Korea (DPRK).

On 2 March 2016, the United Nations Security Council adopted Security Council Resolution (UNSCR) 2270 (2016) in response to the recent nuclear tests by DPRK. The sanctions measures contained in this resolution include a number of sectoral arms and trade embargoes and add additional persons and entities to the list of persons and entities subject to sanctions measures, as well as updating the identifying information relating to one person and two entities.

The Council Decision and Commission Implementing Regulation being submitted for post-adoption Parliamentary Scrutiny implement the additional listings (of 16 persons and 12 entities) and biographical amendments only.

The EU adopted these measures on 4 March 2016. The rapid transposition of UN sanctions designations into EU legislation is highly desirable in so far as it mitigates the risk of asset flight once designations have been published by the UN and ensures the effectiveness and credibility of the sanctions regime. I regret that I found myself in the position of having to agree to the adoption of these documents before your Committee had an opportunity to scrutinise them.

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 was regrettably unavoidable.

18 March 2016

Letter from David Lidington MP to the Chairman

I am writing with regard to the aforementioned EU Council Decision concerning sanctions against the Democratic People’s Republic of Korea (DPRK).

On 2 March 2016, the United Nations Security Council adopted Security Council Resolution (UNSCR) 2270 (2016) in response to the recent nuclear tests by DPRK. The sanctions measures
contained in this resolution include a number of additional sectoral arms and trade embargoes, adds additional persons and entities to the list of persons and entities subject to sanctions measures, as well as updating the identifying information relating to one person and two entities.

The above Council Decision concerns the agreement of the substantive sanctions measures contained in UNSCR 2270 (2016).

The EU adopted these measures on 31 March 2016. The rapid transposition of UN sanctions measures into EU legislation is highly desirable in so far as it ensures the effectiveness and credibility of the sanctions regime. I regret that I found myself in the position of having to agree to the adoption of this document before your Committee had an opportunity to scrutinise them.

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 was regrettably unavoidable.

14 April 2016

RESTRICTIVE MEASURES IN VIEW OF THE SITUATION IN THE CENTRAL AFRICAN REPUBLIC (UNNUMBERED)

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

I am writing with regard to the aforementioned EU Council Implementing Decision and Regulation concerning restrictive measures regarding the Central African Republic (CAR).

On 27 January 2016, the United Nations Security Council adopted Security Council Resolution (UNSCR) 2262 (2016) in view of the situation in CAR. This resolution renewed the framework for sanctions, including a travel ban, asset freeze and arms embargo measures, targeting certain persons responsible for, complicit in or having engaged in, directly or indirectly, actions or policies that threaten the peace, security or stability of the CAR.

On 7 March 2016, the Sanctions Committee that was established to oversee the relevant sanctions measures concerning CAR, added one person (Joseph Kony) and one entity (the Lord’s Resistance Army) to the list of persons and entities subject to UN sanctions. The EU Council Implementing Decision and Regulation being submitted for post-adoption scrutiny transpose the UN listings into EU law.

The draft EU legal acts were received by my officials on 8 March 2016 and formally adopted on 11 March 2016. The rapid transposition of UN sanctions designations into EU legislation is highly desirable in so far as it mitigates the risk of asset flight once designations have been published by the UN and ensures the effectiveness and credibility of the sanctions regime. I regret that I found myself in the position of having to agree to the adoption of these Council documents before your Committee had an opportunity to scrutinise them.

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 was regrettably unavoidable.

18 March 2016

THE EUROPEAN UNION CSDP MISSION IN NIGER (EUCAP SAHEL NIGER) STRATEGIC REVIEW (UNNUMBERED)

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

I am writing to update the Committee on the EU civilian capacity building mission to Niger (EUCAP Sahel Niger) in light of its recent Strategic Review.

EUCAP Sahel Niger was launched in 2012 with the objective of building the capacity of the Nigerien civilian security forces to tackle terrorism and organised crime. In October 2015, the mission enhanced its work on migration in response to the Mediterranean migration crisis in 2015. This included the establishment of a permanent satellite office in Agadez in northern Niger.
It is hoped that the office in Agadez will be operational by the middle of this year. Most of the security and welfare issues are close to being resolved and over two thirds of the posts have been filled. As I have said previously, work in Agadez, and the broader migration work in Niger, is considered central to upstream efforts to tackle irregular migration to Europe. Progress has been slower than hoped, but momentum may return after the completion of Niger’s Presidential elections.

In light of the challenges remaining in Niger, the Strategic Review recommended that:

— The mandate be extended for a further two years (to 14 July 2018);
— The mission’s overall focus should remain the same but greater focus should be placed on strategic support and border security;
— Priorities also include greater emphasis on sustainable training options and better co-ordination with other EU programmes and missions; and
— The mission also look to possible regional cooperation (through the G5 Sahel) on security matters.

The Government is content with the Strategic Review and its recommendation that the mandate is extended for a further two years. EU support for Niger remains essential whilst considerable security challenges remain.

Moreover, the increased focus on tackling irregular migration and border security requires time to realise results. Besides the Agadez office, we will be pushing the mission to do more with authorities in Niamey to tackle the gangs operating from the capital. Working in the capital will pose a lesser security risk but with potentially greater impact by tackling the problem at source and in influencing the Nigerien government.

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

22 April 2016

UPDATE ON EU TRADE NEGOTIATIONS (UNNUMBERED)

Letter from Lord Price CVO, Minister of State for Trade and Investment, Department for Business, Innovation and Skills and Foreign and Commonwealth Office, to the Chairman

Lord Maude’s letter of 24th November, updating the Committee on trade negotiations, mentioned the trade strategy from the European Commission. Attached to that was the first of a series of regular updates on the full gamut of EU trade negotiations. This letter and its attachment [not printed] comprise the second of these updates and highlight progress on key areas mentioned in the trade strategy. I know Lorde Maude was intending to write before he left, but was not in the event able to do so. I am therefore writing with the update he intended to send, and am including some more recent developments to bring everything up to date. I do apologise for the delay in writing back.

I have been impressed at the enhanced transparency that the Commission has brought to its negotiations, most especially TTIP and TiSA. I am keen to extend to other trade negotiations these levels of transparency if possible. However, I would beg your patience and flexibility on this matter. I understand that agreement on setting up reading rooms was not easy to reach with the US Administration. Other Administrations will have similar concerns over their own negotiations with the EU and may prefer other arrangements. I shall discuss this with the Trade Commissioner and my counterparts in other Member States and try to find a way forward.

As you already know, the WTO Ministerial Conference in December in Nairobi was a success. I am hoping that post Nairobi discussions will have made some progress before you next receive an update letter.

Lord Maude convened the first meeting of the new Ministerial Advisory Panel on trade on 23 February. The meeting was well-attended and I understand he appreciated the range of views from stakeholders present. I am attaching a read-out of the meeting [not printed].

Also since Lord Maude last wrote, the European Commission has opened anti-dumping investigations into imports from China of heavy plate steel, hot-rolled flat products of iron or steel, large seamless pipes and tubes of iron or steel and reinforcing bar. The Commission notifies opening these
investigations are published on the Commission website and are available at. [external link]

As before, you will find below a summary of where each of the negotiations has got to. I should welcome any questions or comments you might have on the EU's trade agenda and the UK's positions on it.

3 May 2016

UPDATE ON THE EU-US FREE TRADE AGREEMENT (UNNUMBERED)

Letter from Lord Price CVO, Minister of State for Trade and Investment, Department for Business, Innovation and Skills and Foreign and Commonwealth Office, to the Chairman

I am writing as the new Minister for Trade and Investment, to update you on progress in the negotiations for the EU-US Free Trade Agreement (EU-US FTA), also known as the Transatlantic Trade and Investment Partnership (TTIP).

The 11th negotiating round took place in Washington DC and Miami between 14 and 23 October 2015, and the 12th round between 22 and 26 February in Brussels (the 12th round stretched into a second week as the EU and US continued discussions in a number of areas).

Talks in both rounds covered the full range of areas under discussion, with the exception of investment protection and the EU proposal for a new Investment Court System which was only discussed during the 12th round. There has been a noticeable increase in the pace of the negotiations with both sides reaffirming their aim of reaching an agreement in 2016, though this remains challenging.

MARKET ACCESS

Second offers on tariffs were exchanged during the 11th round, covering more tariff lines. Discussion focussed on product groups where more ambitious phasing out of customs duties were requested by either side, and product groups which would require longer phasing out periods, allowing domestic producers to adapt to elimination of customs duties. Discussions continued during round 12 on products that might be subject to different phase-out timings.

Progress was made in 11th round negotiations on the text in the chapter on trade in goods. There were productive discussions on a number of articles, including import/export restrictions and licensing, duty free treatment for remanufactured goods and goods returned after repair. During the 12th round, negotiators continued these discussions on the trade in goods articles of the Agreement.

Texts on agricultural market access were discussed during round 11. The EU presented its proposal for general disciplines in the chapter on agriculture, including, the possible scope for cooperation in the area of agriculture in bilateral and multilateral fora. A first substantial review of the chapter was conducted during the 12th round, allowing areas of convergence and divergence to be identified.

Negotiators on public procurement held technical discussions during the 11th round ahead of an exchange of offers in February. Discussions covered both market access topics and the textual provisions for the procurement chapter (procedures which public entities apply when they procure). There was an exchange of offers during round 12 followed by discussions on both the offers and the text of the public procurement chapter.

The revised services offers exchanged in July 2015 were further examined during the 11th round to reach a better understanding of each other’s proposed commitments and reservations. The 12th round covered the following areas of trade in services: cross-border trade in services, liberalisation of investment and rules related to: financial services, postal and express delivery services, direct selling, recognition of professional qualifications, domestic regulation, telecoms and e-commerce.

Proposals for product-specific rules of origin were exchanged during the 11th round. The EU and US agreed on a merged text of their initial proposals on horizontal rules and principles governing origin. US proposals on origin procedures were discussed during round 12.

The 12th round also saw a short exchange on follow-up issues related to market access, during which the EU and US acknowledged that certain services, including public services, play a special role for citizens.
REGULATORY COHERENCE

All regulatory issues were discussed during both rounds, including regulatory cooperation, technical barriers to trade (TBT), sanitary and phytosanitary (SPS) measures and the nine industry sectors under consideration.

Regulatory Cooperation and Good Regulatory Practices were discussed during round 11, with each side providing reactions to the others textual proposals. Each side provided an overview and demonstration of their planning tools, and then considered the kind of information that will be made available on regulatory initiatives at an early stage in the regulatory process.

12th round discussions focussed on the US textual provisions on regulatory cooperation and the EU revised draft chapters on regulatory cooperation and good regulatory practices. Both sides agreed to intensify inter-sessional work in the run up to the next negotiating round with a view to clarifying outstanding issues, and to consolidate the respective texts.

A range of issues across the TBT chapter were discussed during the 11th round, including issues relating to standards such as identifying opportunities for greater participation and transparency in respective systems. There was also discussion around issues related to the conformity assessment of products, and in particular how to improve the recognition by one side of certification carried out in the territory of the other.

12th round TBT discussions tackled: i) transparency of the procedures followed by public authorities when selecting standards, ii) cooperation between EU and US standards development organisations, iii) use of standards of the other Party when developing new standards, iv) possibility for interested persons to submit proposals for the development of common US/EU standards, and v) roles and functions of the TBT Committee under TTIP.

There was continued constructive work during round 11 in consolidating and developing the SPS chapter. This work included continuing to seek further areas of agreement on text on scope, rights and obligations, competent authorities, a planned SPS Committee and equivalence of SPS measures. During the 12th round, negotiators discussed proposed articles on regionalisation, audits, certification and anti-microbial resistance.

In pharmaceuticals, Regulators from both sides provided an update during round 11 on the work carried out so far by the task force in charge of assessing the equivalence of EU and US Good Manufacturing Practice (GMP) inspection systems. 12th round discussions identified tasks to be carried out in the coming months and there was agreement to pursue efforts towards the mutual recognition of respective GMP inspections.

In automotive, the US provided feedback during round 11 on the EU’s proposed methodology for recognition of equivalence (safety aspects of automotive regulation). There were further detailed technical discussions during round 12 on the EU proposal on equivalence, based on EU Test Cases.

RULES

At the 11th round the EU tabled its first legal textual proposal for a chapter on Trade and Sustainable Development. 12th round discussions focussed on labour, the environment and cross-cutting issues on sustainable development.

There were constructive 11th round discussions on Energy and Raw Materials (ERM). The EU continued to argue that TTIP should incorporate provisions specific to ERM in a standalone chapter. The EU and the US also discussed issues related to trade and investment in renewable energy and energy efficiency. The EU and US exchanged information on several ERM developments during round 12.

Round 11 discussions on the draft SMEs chapter focussed on two areas: “information sharing” and the proposed SME Committee. Both sides agreed on the need to ensure comprehensive, up-to-date information is provided to SMEs in a user-friendly way. The EU presented its new proposal for the SME Committee. Both sides agreed on the importance of strong interaction with stakeholders, and cooperation between the SME Committee and any future committees set up to address SME-specific issues in TTIP. These discussions continued during round 12.

In the area of Customs and Trade Facilitation the EU and the US discussed their respective rules and procedures in detail during the 11th round. These discussions were useful in bringing clarifications on the terminology and processes used across the Atlantic, and allowed for further progress to be made on the consolidated text of the chapter. The EU presented new proposals during round 11 to reach
gradual convergence in areas such as data harmonisation, trusted trader programmes, single window systems, binding information or international standards.

There were discussions during both rounds of Intellectual property rights (IPR), including Geographical Indications. As in previous rounds, the discussions covered: patents, copyright, certain aspects of regulatory test data protection, plant varieties, trade secrets, trademarks, enforcement (including border measures), principles and cooperation, as well as international IPR agreements.

During the 12th round the EU and US undertook an in-depth comparison of their respective approaches to investment protection and the EU proposal for a new Investment Court System, with a view to identifying areas that will require further substantive discussion in future rounds (notably standards of treatment). Overall, good progress was made towards understanding the objectives being pursued by each Party. They agreed to continue exchanging views in preparation for the next round.

TRANSPARENCY

The EU and the US organised stakeholder sessions during both rounds, where negotiators attended presentations by stakeholders from industry and wider civil society.

The European Commission shares classified documents relating to TTIP with Members of the European Parliament via a reading room. Following pressure from Member States, the Commission and the US have agreed that national parliamentarians should have similar access to classified TTIP documents, including consolidated texts, via reading rooms in national ministries. Restrictions placed on these rooms include that they are only accessible to officials of Member State central governments and Members of Member State national Parliaments.

The UK intends to establish such a reading room in the Department for Business, Innovation and Skills. This will give equivalent access to documents for hon. Members of both Houses to that afforded to Members of the European Parliament. I will write separately giving details of how to access the room.

The Commission continues to publish factsheets, EU position papers and EU proposal texts on its website, including an update and explanations of the EU horizontal regulatory cooperation proposal. It has also recently published its proposal for an Investment Court System. These can be found at http://trade.ec.europa.eu/doclib/press/index.cfm?id=1230 [external link]

OTHER / FUTURE ACTIVITY

I visited Washington DC with Lord Maude from 7 to 8 March. We had encouraging meetings with Mike Froman, US Trade Representative, and Jeff Zients, White House National Economic Council Director, both of whom felt that it should be possible to achieve a TTIP deal this year. This remains the Government’s ambition.

Members of the All Party Parliamentary Group (APPG) on EU-US Trade and Investment also visited Washington last month.

The 13th negotiating round is taking place this week in New York. I will write to you again with a further update following this round.

25 April 2016