



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 1 December 2013- 4 June 2014

EXTERNAL AFFAIRS

(SUB-COMMITTEE C)

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AMENDING AGREEMENT ON GOVERNMENT PROCUREMENT (7915/13, 7919/13)

Letter from Nick Hurd MP, Minister for Civil Society, Cabinet Office, to the Chairman

In June last year your Committee cleared from scrutiny an Explanatory Memorandum on the proposed amendment to the WTO Government Procurement Agreement (GPA). This amendment modernises the rules by which the GPA parties open up their public procurement markets to each other, and increases the “coverage”; the market sectors and authorities which are opened-up. Once the amendment takes effect, the GPA can move to its future work programme, which should lead to further improvements.

The coming into force of the amendment depended on the formal acceptance by two thirds of the GPA parties, and your committee asked to be kept informed of progress.

For this purpose, the EU, on behalf of the 28 Member States counts as one party. On 19 November 2013 the European Parliament gave its assent, followed by Council of Ministers’ approval on 2 December. The two-thirds threshold was finally met with Israel’s acceptance on 7 March 2014, and the amendment is therefore effective from 6 April, a few months later than originally expected.

As mentioned in the Explanatory Memorandum, the UK Government consistently supported and encouraged the GPA amendment. The UK (and other EU) public procurement markets are already largely open, so newly-opened opportunities in other GPA markets should be of net benefit to UK businesses. The WTO estimates the total increase in public procurement market access will be \$80bn – \$100bn (approximately £48bn - £60bn) annually. The European Commission estimates around €30bn (approximately £25bn) of public procurement markets will be opened to EU businesses.

Ten other WTO members, notably including China, are currently negotiating accession to the GPA, and the amendment may give further impetus to those negotiations.

The Government will inform your Committee when there are further substantive changes through the new work programme or accession of new GPA members.

22 April 2014

ANNUAL STRATEGY FOR HUMANITARIAN AID 2014: GENERAL GUIDELINES ON OPERATIONAL PRIORITIES (17399/13)

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

The Sub-Committee on External Relations considered the above document at its meeting of 6 February. It had been cleared at the Chairman’s Sift of 21 January 2014. While we do not have any specific concerns about the text and substance of the proposal, we would like to raise a point regarding the timing of the deposit of the document.

The Annual Strategy was published in early December and then discussed in the Humanitarian Aid Committee (HAC) on 12 December 2013. The Annual Strategy was, however, only deposited on 14 January 2014 and the Explanatory Memorandum submitted on 13 January 2014. Bearing in mind the December recess, it might have been preferable to postpone the discussions in the HAC until the New Year to allow us time to undertake our scrutiny process prior to the discussion.

You inform us that there are no further discussions planned on the text. This raises two issues of concern. First, it is not clear to us whether the UK was actively engaged in the consultation process for the Annual Strategy, and second, if you were engaged, why Parliament was consulted at such a late stage. For our scrutiny to be effective it is important that we are consulted at a meaningful stage in the discussions, which does not appear to have happened in this case.

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

10 February 2014

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 10 February about the timing of the deposit of the above document.

The Commission’s Annual Strategy was made available for distribution by the Council Secretariat on 5 December 2013. It was therefore not possible to provide an Explanatory Memorandum for the

House of Lords European Union Committee to consider at the sift on 10 December, and then in sub-committee, before the Humanitarian Aid Committee (HAC) meeting on 12 December.

As in previous years, the UK and other EU Member States are not actively consulted on the European Commission's Annual Strategy for Humanitarian Aid. UK officials are only able to review the document when it is made available in December. Unfortunately, delaying the discussion in the HAC until January is not feasible since the HAC typically only meets once a year and the Commission seeks the approval of Member States for the following year's Annual Strategy before the beginning of the calendar year.

24 February 2014

APPLICATION AND ENFORCEMENT OF INTERNATIONAL TRADE RULES (18079/12)

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

Thank you for your letter of 20 November on the above Regulation. The EU Sub-Committee on External Affairs considered the letter at its meeting on 5 December and decided to clear the document from scrutiny.

The Committee were pleased that the Government has reached a satisfactory Council position, particularly in securing safeguards in respect of the role of Member States during the development of specific countermeasure proposals and when adopting Implementing Acts. It was however noted that you anticipate a challenging trilogue process. Could you please undertake to ensure your successor updates the Committee, should any of the protections you have secured for Member States, such as the 'information +' provision, be removed from the text during the trilogue process?

We look forward to your successor's response, if appropriate.

9 December 2014

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

In your letter of 9 December to Stephen Green, clearing this dossier from scrutiny, you asked to be updated on any developments relating to the role of Member States (MS) during the preparation and implementation of specific counter-measures proposals. I am writing to do this following political agreement in trilogue between the Council, European Parliament (EP) and Council earlier this month.

The trilogue process was, as forecast, very challenging. The European Parliament was hostile to the Council's position in respect of the role of MS. This, as anticipated, applied in particular to the 'information +' provisions inserted by the Council to give MS a right to be provided with information and an opportunity to contribute to an exchange of views as specific countermeasure proposals develop. It also applied, as expected, to the provision requiring individual Implementing Act proposals to secure the support of a Qualified Majority (QM) of MS to go ahead. In both instances the Commission sided with the EP. Despite the strong position taken by the Presidency (first the Lithuanian and then the Greek) in defending the Council position on these issues, compromise became inevitable if the proposed Regulation was to progress.

The UK played a prominent role in achieving a balanced compromise across these issues and the Regulation as a whole. Responding to the EP's adamant refusal to include any information + provision we, first, won MS support for insisting on the provision requiring individual Implementing Act proposals to secure a QM in order go ahead. Second, we secured agreement to a Recital¹ which confirmed the importance of ensuring effective communication and exchange of information between the Commission and the Council (and the EP). This is in turn underwritten by a Commission

¹ "It is important to ensure an effective communication and exchange of views between the Commission and the Council and the Parliament, in particular on disputes under international trade agreements that may lead to the adoption of measures under this Regulation."

declaration² that states their commitment to ensuring MS receive timely information to enable them to contribute to informed decision-making.

While this falls short of what we were trying to achieve it was recognised from the outset that we were being ambitious and that it would be difficult to achieve. However, in addition to the outcome in relation to the role of MS, the Council (with the UK again playing a full part) was also successful in persuading the EP to drop its demand for the immediate inclusion of services counter-measures, and in securing agreement that MS should be able to identify appropriate national procurement authorities to be involved in the implementation of public procurement counter-measures.

Taken overall therefore I consider this to be a satisfactory outcome to an important Regulatory proposal.

17 February 2014

CIVILIAN COMMON SECURITY AND DEFENCE POLICY MISSION FOR UKRAINE (UNNUMBERED)

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

I am writing to inform you and your Committee about proposals by the UK, Sweden and Poland for a civilian capacity-building Common Security and Defence Policy (CSDP) Mission in support of Ukraine's reform agenda.

I am keen that we do all that we can to ensure future stability in Ukraine. A key step will be re-establishing confidence in the rule of law through reforms to the policing and justice system. The CSDP Mission would provide MMA support (monitoring, mentoring and advising) and strategic advice to strengthen the Ukrainian Government's reform agenda and help build a robust national system in the medium to long-term. The Mission would also complement the work of other international partners including the OSCE Strategic Police Matters Unit.

The Mission's work would be civilian only and would not involve any defence element. NATO has recently agreed a package of enhanced support to Ukraine in the defence and security sector.

Although the Mission would mainly focus on the central government in Kyiv, it would also carry out important work in the regions to provide a clearer idea of the pressures and challenges on the ground. This would also present a clear EU message of support across the country.

The Foreign Affairs Council on 14 April is likely to discuss this proposal in detail. Should there be agreement to proceed with preparing such a mission, we will submit the Council Decisions to the Committee for scrutiny as soon as they are received. My officials will encourage swift circulation of the Council Decisions to ensure sufficient time for parliamentary scrutiny.

10 April 2014

Letter from David Lidington MP to the Chairman

My letter of 10 April set out proposals made by the UK, Sweden and Poland for a civilian capacity-building Common Security and Defence Policy (CDSP) Mission in support of Ukraine's reform agenda. I am writing to update the Committee following the Foreign Affairs Council of 14 April.

At the Foreign Affairs Council European Union Foreign Ministers reaffirmed their strong support for Ukraine's unity, sovereignty, independence and territorial integrity and called upon Russia to do likewise. Ministers stressed their condemnation of the illegal annexation of Crimea and Sevastopol and reaffirmed that they would not recognise it. Ministers demanded that Russia called back its troops from the Ukrainian border and immediately withdraw the mandate of Russia's Federation Council to use force on Ukrainian soil. In Council Conclusions Ministers made very clear that any further steps by Russia to destabilise the situation in Ukraine would have broad and far-reaching consequences.

² "The Commission recognizes the importance of Member States receiving timely information when it is considering the adoption of implementing acts under this Regulation so as to enable them to contribute to fully informed decisions and will act to achieve this objective."

Ministers welcomed the proposed 17 April talks, involving Ukraine, Russia, the EU and USA. The Council Conclusions also reaffirm EU support for Georgia and Moldova, and look forward to early signature of the EU-Georgia and EU-Republic of Moldova Association Agreements.

EU Foreign Ministers also stressed their willingness to assist Ukraine in the field of civilian security sector reform, support of police and rule of law. The Council asked the EEAS to deploy an expert mission and elaborate options, including through a possible CSDP mission, so that the next Foreign Affairs Council, scheduled for 12 May, can decide on further action. My officials will continue to push for early circulation of documents relating to any CSDP mission to allow for parliamentary scrutiny and to help facilitate the Committee's consideration.

The Committee may welcome further detail on the package recently agreed NATO to support Ukraine's defence and security sector, to which I referred in my letter of 10 April. NATO Foreign Ministers agreed at their meeting on 1 April a set of measures to support Ukraine. They include more advice and resources for defence reform to help make Ukrainian forces more professional and effective; increasing the number of Resident Defence Advisors in Kyiv; and advice on protecting Ukraine's civil energy infrastructure. This builds on NATO's track record of helping countries develop their own security and stability and continues NATO's long standing support to Defence Capacity Building work in Ukraine.

I am writing separately to provide your Committee with further information on restrictive measures in view of the situation in Ukraine, explaining the EU approach to sanctions and what further measures are being considered against Russia.

17 April 2014

COMMON SECURITY AND DEFENCE POLICY IN THE SAHEL (UNNUMBERED)

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

I am writing to bring you up to date on CSDP activity in the Sahel, and particularly discussions in Brussels relating to future plans for CSDP in the region. This follows my letters of 17 June and 3 November on EUTM, as well as informal contacts between my officials and the Clerk of the Committee.

As you know, the EU currently has two CSDP missions in the region: the civilian Mission in Niger (EUCAP Sahel-Niger), and the military Training Mission (EUTM) in Mali. Besides this, in 2013 the EU has also launched a border assistance Mission (EUBAM) in Libya, and is starting to plan civilian activity in Mali to support the interior security forces.

The main driver behind the launch of EUTM was the collapse of the Malian armed forces and the takeover of large parts of the country by jihadist fighters during 2012. The In Amenas attack in January 2013, which was launched from Mali, also served to place Mali and the Sahel high on the EU's security agenda.

EUTM MALI EXTENSION

As you will recall, the mandate of EUTM, which was launched in February 2013, was for 15 months and is therefore due to expire in mid-May 2014. The UK and other Member States assess that the Mission has performed well so far, having trained three of the four battalions scheduled. The fourth battalion will begin its training as planned in January 2014. EUTM's narrow focus, based on the twin pillars of delivering training and providing advice to the Malian defence sector, has enabled the Mission to remain on schedule and deliver its mandate effectively.

The Strategic Review of EUTM, which was issued in November, notes that the four battalions trained so far by the Mission represent approximately half the Malian army's fighting strength. It proposes that, in order to be able to train the remaining battalions, provide follow-up training and step up its advice activity, EUTM's mandate be extended for a further two years beyond May 2014.

I believe that there is merit in considering extending EUTM for a further period, providing a clear exit strategy is built into the renewed mandate. The Mission has made a positive contribution to the improving security situation in Mali, and it also sits well with our North & West Africa Strategy, which promotes delivering effect in the region through partners such as the EU. Our contribution to the Mission gives us an important voice inside EUTM as well as an opportunity to be a leader in CSDP

activity. Following an initial discussion of the Strategic Review at PSC, officials have been working on the details, and how the Mission's activity might evolve in order to enable the Malians to take ownership of their own training and defence sector reform by the end of a second mandate. As proposed, the amended mandate would include:

- More focused leadership training (of officers and NCOs),
- Follow-up training post-graduation (including training in the Malian army's own barracks),
- "Train-the-trainer" work, which will permit the training work progressively to be handed over to the Malians themselves – a key component of the exit strategy.

Discussions over the details continue in Brussels, including on how the Mission will manage the challenges that EUTM has faced so far, and which are likely to persist. These include shortages of equipment for the trainees which has hampered training, and the difficulties that the Malians have had in providing the full quota of trainees at the start of each battalion's training (though the numbers have gradually been made up).

THE KIDAL INCIDENT, 28 NOVEMBER

A further concern in recent months have been the instances, albeit isolated, when EUTM-trained Malian troops have behaved poorly when deployed in the field, and engaged in looting and excessive use of force. In an incident in the town of Aguelhok in September, the *Waraba* battalion (the first to be trained by EUTM) engaged in looting following a shoot-out with separatist rebels. The investigation revealed that the Malian soldiers' actions had resulted from a shortage of food rations whilst on operations. More recently, and more worryingly, on 28 November the *Elou* battalion (the second to be trained) opened fire on a group of civilian protestors in Kidal. Three civilians were wounded and one subsequently died. The soldiers involved had been trained by UK personnel within EUTM Mali, and at the time of the incident were being accompanied by a small number of French mentors. The Malian authorities have promised a full investigation and we are working with EUTM to ensure that training curriculum is reviewed. Some EU partners have argued that more focused after-sales service (e.g. mentoring and garrison-based follow-on training) under a second mandate could help to reduce the risk of bad behaviour by trainees, though others felt that mentoring in particular would pose risks for EUTM staff if bad behaviour by trainees did take place.

MEDEVAC AND THE EUTM BUDGET, JANUARY-MAY 2014

A further challenge facing EUTM has been the provision of the AIR MEDEVAC capability, i.e. emergency helicopter extraction of EUTM staff. Belgium provided this capability for the first six months of the Mission through the normal force-generation process. Following the conclusion of the Belgian provision, no member state was willing to offer the capability to the Mission. The provision therefore went out to tender and a private company was chosen to provide the capability for the period July-December 2013. For the period January-mid May 2014 (when the current mandate ends), force-generation again failed to identify a member state provider of MEDEVAC. Having considered a range of options, including foregoing MEDEVAC altogether, Member States agreed that the only feasible option was to renew the contract with the incumbent private company, which by now was the only bidder, although at additional cost. The common-funded budget for the period January-mid May is therefore €7.6 million, with the cost of the MEDEVAC solution, €2.5 million, accounting for a large proportion of this budget. Under the ATHENA mechanism, the UK will be liable to pay 15.31% of the total, i.e. €1.2 million (£1.0 million).

This budget means that the common-funded cost of the Mission for the full 15-month mandate will rise to €31.1 million, over 1.5 times the original "reference amount" which was proposed before the Mission expanded and relocated to Koulikoro. The cost of contractor-provided MEDEVAC has been a major contributor to this additional cost, and as discussions over extending the mandate continue, we are encouraging creative solutions on MEDEVAC which will bring these costs down in future.

UK CONTRIBUTION TO EUTM

The UK's contribution to EUTM was just under 40 at its peak, and now stands at 26, including a Human Rights/PSVI trainer whose work is highlighted in the Strategic Review as being of high value to the Mission and to the Malian armed forces. As MOD keeps its footprint in North and West Africa under review, it will consider in due course whether to renew the deployment of military trainers to

the Mission. We judge that continuing e.g. infantry training for at least some of the new mandate would be advantageous, not least in giving us scope to help design and implement the EUTM's exit strategy (e.g. through train-the-trainer activity) from within the Mission.

We expect that PSC will recommend moving to the next stage in the planning process in the coming days, and the tasking of a CONOPS for the new mandate. We would expect to see a draft Council Decision on extending the Mission's mandate in late January 2014; this will be presented to the Committee for scrutiny at that point. We will also want to consider any additional cost implications under a new mandate at an early stage.

CIVILIAN CSDP IN MALI

With EUTM focusing exclusively on military training in Mali, a parallel discussion is under way in Brussels on how the EU might contribute to building the capacity of Mali's civilian security sector. UN Security Council Resolution 2100, adopted on 25 April 2013, highlighted the need for work in this area, and the UN Mission in Mali, MINUSMA, has been keen to take advantage of the EU's expertise in security sector reform and capacity-building.

In November, in response to tasking by the PSC, the EEAS issued the third iteration of an options paper on civilian CSDP in Mali. The paper, written following significant engagement with the heads of the three Malian interior security forces (police, gendarmerie and the national guard) analyses the challenges facing the civilian services and suggests that a new civilian mission in Mali would need to focus on the following objectives:

- Restoring and maintaining constitutional and democratic order and conditions for peace
- Extending and maintaining the authority and legitimacy of the State throughout the country
- Installing national security, ensuring territorial control and protection of the population particularly through strengthening capacity to fight terrorism, organized crime and trafficking

During the drafting process the EEAS considered the alternative options of either expanding EUTM Mali into civilian activity, or expanding EUCAP Sahel-Niger into Mali. But these two options were eventually ruled out. In the case of expanding EUTM, it was felt that expanding EUTM beyond its military remit would hamper its ability to deliver on its primary objective, where it had performed well so far. There would also have been difficulties as some EU Member States such as Germany are not able to place civilian staff into military missions, as well as legal and funding challenges. Meanwhile in the case of EUCAP Sahel Niger, it was felt that that after its slow start in Niger it would be unwise to place additional responsibilities on this fragile Mission, despite the fact that in recent months it had begun delivering its objectives.

The EEAS paper therefore proposes that a new, self-standing civilian mission should be established in Mali, to achieve the objectives above by means of a two-pronged approach:

- Providing strategic advice focusing specifically on reorganization of the chain of command, legislation, human resources management and training systems.
- Delivering training to senior NCOs and officers from the three services – police, gendarmerie and national guard, i.e. training a third of the gendarmerie and the police and a quarter of the national guard (approximately 4,500 staff) over a period of 4 years.

I believe that there is a good case for civilian CSDP activity in Mali, and have given a cautious welcome to the EEAS proposals. But I am mindful of the need for any new CSDP activity to be effective and represent good value for money. At an initial discussion in PSC my officials stressed the need to ensure that any new CSDP mission in Mali should:

- Complement the work of other actors, principally MINUSMA.
- Have a focused, measureable mandate with a clear and achievable exit strategy.
- Be realistic in what it aims to achieve, and up-front about the potential challenges
- Prioritise training of officers who will eventually deploy to northern Mali, where the need is greatest,

- Work closely with the other CSDP Missions in the region to deliver the EU Strategy for the Sahel, which we support. We have called for maximum flexibility and deployability of EU assets in the region, sharing good practice and learning lessons and avoiding duplication.
- Consider early and realistically how it will be staffed.

Detailed planning work has begun in Brussels, and the PSC is expected to commission a Crisis Management Concept (CMC) in the coming days. Providing we are content with the CMC, a Concept of Operations (CONOPs) and operational Plan (OPLAN) will follow in due course. We have been clear in PSC that we will not accept any form of accelerated planning for a new civilian Mission in Mali, in order to avoid the rushed process which preceded the launch of EUCAP Sahel Niger. New planning processes are now in place for CSDP Missions, which entail the need for two Council Decisions (rather than the previous single Decision) prior to launch. When the first of these is drafted (we expect in late January) it will be placed before the committee for scrutiny in the normal way. Should Member States agree to go ahead with the new Mission, we would realistically expect it to be launched in late spring 2014. The common-funded cost for a Mission of this size is estimated at £15-20 million per year, of which the UK would be liable for 15.2%.

EUCAP SAHEL-NIGER

EUCAP's mandate is due to expire in July 2014, and a Strategic Review is expected to be issued by the EEAS in February 2014, which will make recommendations on the future of the Mission. It is likely that an extension of the Mission's mandate will be proposed, perhaps for a further two years. We will consider that scenario on its own merits and will update the Committees on the Review's findings in due course.

I hope that this update has been helpful in informing the Committee of the decisions that lie ahead. I will be happy to update the Committee on any further significant developments as they arise.

3 January 2014

Letter from the Chairman to David Lidington MP

The EU Sub-Committee on External Affairs considered your letter of 3 January at its meeting on 16 January. We are grateful to you and your officials for the very comprehensive update provided and look forward to discussing aspects of the issues you raise with your officials in an evidence session planned for March.

20 January 2014

Letter from David Lidington MP to the Chairman

I am writing to update you on future plans for EUCAP Sahel Niger, following release of the Strategic Review, which was issued at the beginning of March.

As you will recall, EUCAP Sahel Niger was launched in July 2012 with a budget of €8.7 million p.a. and a two-year mandate to provide advice and training to enable the Nigerien authorities to implement a National Security Strategy, to develop international approaches to the fight against terrorism and organised crime, and to strengthen the rule of law by developing criminal investigation capacities and administrative systems.

The mission struggled to deliver results in its first year, mostly due to rushed planning. However, in recent months there have been signs of improvement.

The mission is now delivering against its mandate. The President's support for a *Comité de Pilotage* (Steering Board) has been instrumental in directing how different ministries and services work with EUCAP to implement reforms. Training activities are currently working well. EUCAP has trained over 2,500 members of the security forces, armed forces, civil service and judiciary. The mission's work on improving the services' human resource and forensic capabilities has been particularly successful.

EUCAP has been praised by third countries, including the US, for its work in co-ordinating wider international action in Niger, and uncovering duplication of requests for support; this particular work has been led by a UK-funded secondee. And the mission is seeking to build sustainability into its activity by creating a training cycle within the services, including a pool of mission-trained Nigerien personnel guaranteed to stay in post as trainers for a period of years. The project cell has also

carried out refurbishment of training centres of the gendarmerie and military logistics school to increase the efficiency of training activity.

However, there is more to do. Niger remains a fragile democracy in an increasingly volatile region. It is prone to the criminal smuggling of weapons, drugs and weapons. Problems in Mali have spilled over into Niger; attacks in Agadez and Arlit have brought home to the Nigerien authorities that they too are now under threat. In Nigeria to the south, Boko Haram's campaign of violence continues, with large numbers of people being killed in often unreported incidents. Boko Haram is known to use the border region between Nigeria and Niger as a safe haven to rest and regroup. Meanwhile to the north, Libya remains volatile and its border with Niger porous. Nigerien elections are due in 2015-2016, and a visible EU presence at least until then would increase the chances of a smooth poll.

I am attaching the Strategic Review for information only. It 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 limited 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 Review sees the need to continue to support Niger in the development of its capability to deal with national and regional security challenges and recommends extending the mandate for a further two years from 17 July. The mission will remain roughly the same size, will retain its current structure and will cost a similar amount to now. However it recommends some small changes to the tasks to be carried out by the mission:

- Reducing focus on the original top-down approach to reform, but working further on inter-operability and on training programmes: Despite the difficulties persuading the heads of the three security forces to develop a National Security strategy, joint central bodies and national action plans, the EEAS has concluded that these should remain the Mission's overarching ambitions, albeit tempered to suit the reality on the ground. They therefore propose a political campaign to lobby for implementation of this strategy, but that the mission itself should pursue inter-operability and sustainability at the operational level through joint training, including train-the-trainer work. A particular success of the mission is the training support it gives to the *PC Mixtes*, joint operational teams composed of members of the different services. The mission also would continue to pursue more limited reforms through the *Comité de Pilotage*, principally around human resources management.
- Continued regional focus, but curtailing the Liaison Officer slots in Mali and Mauritania: The Strategic Review notes the Nigerien proposal to establish a regional CT training centre in Niamey, and proposes that EUCAP should facilitate the co-ordination of regional projects to help Niger tackle terrorism and organised crime. But the EEAS believes that with plans moving ahead for a new civilian Mission in Mali, and the lack of a need for CSDP in Mauritania, the Liaison Officer posts in Bamako and Nouakchott should be curtailed. Instead, it is proposed that security expertise be based in the EU Delegations in Bamako and Nouakchott, and outside the realm of CSDP.
- Borders: Given Niger's location, the porous nature of its borders, and the importance that some EU Member States place on border concerns, the Strategic Review concludes that the mission should increase its expertise on border security. EUCAP currently is mandated to employ one expert in this field, a slot which has only recently been filled. Niger's northern frontier with Libya is largely unpatrolled and passes through ungoverned territory. The Nigerien authorities are engaging with Libyan authorities and the Heads of Mission of EUCAP and the CSDP Mission in Libya (EUBAM), are considering how they might best collaborate on border work.

28 March 2014

CONTROL OF EXPORTS, TRANSFER, BROKERING AND TRANSIT OF DUAL USE
ITEMS (16726/11)

**Letter from Michael Fallon MP, Minister of State for Business and Enterprise,
Department for Business, Innovation and Skills, to the Chairman**

I would like to update the Committee on progress on this dossier since I last wrote to you on 9 March 2013.

As I noted then, the Irish Presidency were in informal discussions with the European Parliament's Rapporteur with a view to the Parliament dropping its own proposals on dual-use export controls in return for a commitment from the Commission and Council to consider them as part of the Commission's ongoing review of export controls (see Explanatory Memoranda 12566/11, 5507/13 and 15045/13 for the status of this review). The result of these discussions was that the three institutions agreed to prepare a joint statement formally noting the intention to consider the Parliament's proposals as part of the ongoing review referred to above.

Meetings to negotiate the text of the joint statement took place on 5 September and 17 December 2013. It was necessary to seek a compromise between the Council and Commission's preference for a short, general, statement and the Parliament's preference for a more detailed statement. A provisional compromise was reached at the 17 December meeting. The issues it refers to are precisely those that are already under discussion as part of the review of export controls. Importantly, the text does not make any reference to the two most problematic of the Parliament's original proposals, namely a "surveillance equipment" end-use control (although it does retain a reference to the need to address further the issue of the export of communication technologies that may be used to breach human rights) and the requirement to update the list of items subject to control under the Regulation in conformity with country-specific sanctions adopted by the Council of the EU.

The next step is for the Council to formally adopt the text of the joint statement at a forthcoming meeting of the Council, currently expected to be 3 March 2014. This will pave the way for the European Parliament to adopt the draft amending Regulation that was agreed by Council and Commission in May 2012, and which has been cleared from scrutiny by the Committee, at its plenary meeting of 14 – 17 April 2014. The joint statement will be published in the Official Journal of the EU alongside the Regulation.

3 February 2014

**DEVELOPMENT FOREIGN AFFAIRS COUNCIL, FOREIGN AFFAIRS COUNCIL, AND
GENERAL AFFAIRS COUNCIL: 12, 16 AND 17 DECEMBER (UNNUMBERED)**

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

I am writing to inform you about the Development Foreign Affairs Council on 12 December which my Right Honourable Friend the Secretary of State for International Development attended, the Foreign Affairs Council on 16 December which my Right Honourable Friend the Secretary of State for Foreign and Commonwealth Affairs attended, and the General Affairs Council on 17 December which I attended. The Development Foreign Affairs Council and the Foreign Affairs Council were 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 Lithuanian Presidency. The meetings were held in Brussels.

Commissioner Piebalgs (Development) was in attendance for some of the discussions at the Development FAC. Commissioners Füle (Enlargement and European Neighbourhood Policy), Georgieva (Humanitarian Aid), and Piebalgs (Development) were in attendance for some of the discussions at the FAC.

Commissioner Šefčovič (Inter-Institutional Relations and Administration) was in attendance for some of the discussions at the GAC.

DEVELOPMENT FOREIGN AFFAIRS COUNCIL

The main items discussed were the post 2015 development agenda, the EU's Agenda for Change, Policy Coherence for Development and the Great Lakes.

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

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/140069.pdf

POST-2015 DEVELOPMENT AGENDA

Ministers discussed the UN September Millennium Development Goals Review Event, the ongoing discussions in the Opening Working Group and how the EU could continue to play a constructive role in the post-2015 debate. Commissioner Piebalgs said that understanding and discussing with international partners, particularly with African states, would be important next steps. The Secretary of State said it was vital that the EU listened to partners' priorities and respected the UN process. It was too early for the EU to be setting out prescriptive positions. Her EU counterparts agreed that the EU should maintain a flexible position. The Secretary of State underlined that the UK government was proud to be meeting the 0.7% ODA target this year. Ministers adopted Conclusions on financing poverty eradication and longer-term sustainable development.

AGENDA FOR CHANGE

Baroness Ashton and Commissioner Piebalgs updated Ministers on the implementation of EU aid reform through the Agenda for Change, including programming of the new EU financial instruments. Commissioner Piebalgs stated that development resources would be targeted on the poorest countries and fragile states and focused on a limited number of sectors in each partner country. The Commission had started working on a new results framework. The Secretary of State said that it was time to move from promise to delivery on the Agenda for Change. Better and more timely results data was vital in order to ensure effective implementation and to demonstrate value for money to taxpayers.

PROGRESS ON POLICY COHERENCE FOR DEVELOPMENT (PCD)

Commissioner Piebalgs presented the 2013 Annual Report on PCD, noting that the agenda would grow in importance for the future of development. The EU was making good progress; for example it had made significant aid for trade pledges for the WTO deal at Bali. Ministers reflected on progress and the importance of PCD. The Secretary of State noted the importance of the rapid conclusion of the negotiations on Economic Partnership Agreements as an example of the PCD in practice. Ministers adopted Conclusions.

GREAT LAKES

Ministers discussed the situation in the Great Lakes. Baroness Ashton said the EU should step up development activities in the DRC to help with immediate needs and deliver long term stabilisation. Commissioner Piebalgs stated that EU support would continue under the 11th European Development Fund. The Secretary of State spoke about the importance of tackling the underlying causes of conflict in the region and the need to learn from lessons of the past. The EU needed to support and work through the existing Peace Security and Cooperation Framework. She also raised the importance of tackling the very high rate of violence against women and girls in the region.

SYRIA HUMANITARIAN CRISIS AND BURMA TASK FORCE

During an informal Ministerial lunch the Secretary of State emphasised that a negotiated political transition in Syria is the only way to end the conflict and stressed the need to support the Syrian National Coalition ahead of the Geneva II conference. She called on the EU and Member States to increase their humanitarian aid contributions and make ambitious pledges at the UN's January pledging conference on Syria in Kuwait. Ministers also noted the success of the recent Burma Task Force led by Baroness Ashton.

FOREIGN AFFAIRS COUNCIL

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

IRAN

Baroness Ashton briefed ministers on the interim deal with Iran on its nuclear programme, and updated them on the 9-13 December expert-level talks with Iran on implementation of the deal. The Foreign Secretary thanked Baroness Ashton for her indispensable role in negotiations and pointed out that the deal was possible because of sanctions pressure as well as diplomacy. The EU therefore needed to continue to enforce robustly the sanctions not suspended under the deal.

Ministers agreed Conclusions which welcomed and endorsed the interim deal on Iran's nuclear programme. They called on Iran to implement its commitments in good faith and promised to suspend relevant EU sanctions, as set out in the E3+3-Iran Joint Plan of Action, immediately after the IAEA had verified Iranian compliance.

SOUTHERN NEIGHBOURHOOD

On Syria, Ministers discussed the preparations for the Geneva II peace talks on 22 January and the EU's contribution to it, the dire humanitarian situation, and the progress made in the destruction of chemical weapons. The Foreign Secretary set out the need to support the Syrian National Coalition ahead of Geneva II, and pressed for contributions at the second Kuwait Donor's Conference in January. Commissioner Georgieva stressed the size of the UN appeal, and asked for Member State support for different ways to raise EU funds.

Ministers agreed Conclusions, as requested by the UK, which call on all parties, including Hizballah, to abide by Lebanon's disassociation policy from the Syrian conflict, and urge swift government formation and timely holding of presidential and parliamentary elections in 2014. The conclusions commend Lebanon for its open border policy, and offer further EU support in managing Syria overspill. They also note EU readiness to explore increased support to the Lebanese Armed Forces. In addition, the Foreign Secretary said that the UK had increased its support to Lebanon's humanitarian response to £93million, and hoped others could also contribute.

MIDDLE EAST PEACE PROCESS

Ministers agreed Conclusions which support the peace talks and offer the Israelis and Palestinians an "unprecedented" package of incentives for peace, including 'Special Privileged Partnerships'. The Conclusions also commit the EU to contribute to post-conflict arrangements and warn against actions that undermined negotiations. The Foreign Secretary said that the Conclusions sent a timely message of support to the talks.

EASTERN PARTNERSHIP

Ministers discussed the follow-up to the Eastern Partnership summit on 28/29 November in Vilnius. Baroness Ashton and Commissioner Füle stressed that there had been no change in EU policy on Ukraine, and the door remained open. The Council agreed that EU needed to communicate better in Ukraine what the EU had to offer; it also called for swift signature of Association Agreements with Georgia and Moldova.

Commissioner Füle said he had met the Ukraine Deputy Prime Minister Arbutov on 12 December, and discussed three issues: creating a roadmap for implementing the Association Agreement; helping Ukraine move towards an IMF Stand-By Arrangement; and providing more clarity on how the EU could support Ukraine with expertise and financing. On Ukraine-Russia talks, Füle said further Ukraine-Russia trade agreements would be welcome as long as they were not counter to commitments in the AA/DCFTA, for example withdrawal from the Energy Community Treaty.

LUNCH WITH RUSSIA FOREIGN MINISTER SERGEI LAVROV

Foreign Minister Lavrov was received by Baroness Ashton and Ministers over lunch. They discussed Syria and the prospects for the Geneva II talks; the ongoing talks with Iran; the situation in the Ukraine; and, visa issues regarding the EU-Russia relationship.

The Foreign Secretary emphasised the need for Russia to use its influence to encourage the Syrian regime to allow greater humanitarian access, and the importance of supporting the Syria National Coalition in the run-up to the Geneva II talks, pointing out that it was in Russia's interests for Syria to have a moderate opposition.

The Foreign Secretary also underlined that the AA/DCFTA between the EU and Ukraine would have significant economic benefits for Russia as well as Ukraine. He noted that Russia could only gain from having more prosperous neighbours. The door remained open for Ukraine to sign.

CENTRAL AFRICAN REPUBLIC

Baroness Ashton described the situation in the Central African Republic (CAR) as extremely alarming. She welcomed the French intervention in support of the African-led international support mission to CAR (MISCA), which was intended to protect civilians and to contribute to the stabilisation of the country. Once security allowed, the EU would send an assessment mission to determine future support.

France thanked the EU and Member States for their support, and set out three areas of need: re-establishing security; addressing considerable humanitarian need; and ensuring progress towards elections. Commissioner Georgieva announced that a further €18.5m EU humanitarian assistance would be mobilised. She also underlined concern over food security anticipating that this would deteriorate further, as the planting season had been disrupted. CAR had been upgraded by the UN to a level three crisis and food distribution by the World Food Programme had re-started. The Commissioner appealed to Member States to remain focused on CAR in the medium to long-term too. It was a country that had been neglected for too long and its problems required sustained support. Ministers also adopted Conclusions on CAR.

BURMA

Baroness Ashton drew attention to the recent EU-Burma Task Force mission. The Council adopted Conclusions, instigated by the UK, which underscore the EU's continued support for Burma's transition and, importantly, call upon the Constitutional review process to enable all candidates to contest the elections in 2015.

OTHER BUSINESS

Portugal briefed on a recent incident where the de facto Guinea-Bissau authorities forced a TAP-Air Portugal flight to carry more than 70 Syrian refugees to Lisbon on false Turkish papers.

Ministers agreed without discussion a number of other measures:

- The Council adopted the EU's position for the 11th Association Council between the EU and Morocco. It also approved the Union position with regard to the adoption of a recommendation on the implementation of the EU-Morocco Action Plan implementing the advanced status (2013–2017).
- The Council agreed on EU activities in support of the implementation of the Arms Trade Treaty (ATT), and allocated € 5.2 million from the EU budget for projects that aim to support states to strengthen their arms transfer control systems with a view to being able to implement the ATT as well as to increase awareness and ownership of the ATT by relevant national and regional authorities and civil society stakeholders.
- The Council authorised the High Representative to open negotiations in order to amend the existing agreement between Australia and the European Union on the security of classified information, in the light of a review of the Australian security classifications.
- The Council took note of the 15th annual report in accordance with Council common position 2008/944/CFSP defining common rules governing control of exports of military technology and equipment.
- The Council adopted conclusions on the Democratic Republic of the Congo and Great Lakes region.

GENERAL AFFAIRS COUNCIL

The 17 December 2013 General Affairs Council (GAC) focused on: the review of the EEAS; preparation for the 2013 December European Council; and Enlargement, including the Enlargement and Stabilisation and Association Process Council conclusions and the Accession negotiations with Serbia. The Presidency also debriefed on the Cohesion Policy Ministerial in Vilnius on 26 November

2013. And I raised, under Any Other Business, the use of the yellow card with regard to the Commission proposal on the European Public Prosecutor's Office (EPPO).

A provisional report of the meeting can be found at:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/genaff/140144.pdf

EEAS REVIEW

The GAC adopted conclusions on the EEAS Review. It welcomed the work done and the results achieved by the High Representative in setting up the EEAS. The GAC broadly supported many of the short-term recommendations in the EEAS review, including those aimed at improving the overall functioning of the EEAS and its relations with other EU institutions. The GAC invited the High Representative to continue work on the follow-up of the review and to inform the Council regularly about the progress achieved. The GAC took note of the medium-term recommendations in the review and agreed to further examine these during the mandate of the next High Representative, who was also invited to present, by the end of 2015, a further evaluation of the EEAS.

2013 DECEMBER EUROPEAN COUNCIL

In its preparation for the European Council on 19 – 20 December, the GAC had an exchange of views on the draft conclusions and a further discussion with European Council President, Herman Van Rompuy. I was clear that the conclusions needed to reflect the primacy of NATO in European defence. I also argued for the language to clearly show that the ownership and operation of military capabilities remain solely a matter for Member States. The EU's ambition should be to do things better, rather than seeking to do more.

On Economic and Monetary Union I argued that the Member States outside of the euro should not be bound by eventual arrangements, and that social aspects to EMU should be voluntary, as stated in the June 2013 and October 2013 European Council conclusions.

ENLARGEMENT

The GAC adopted conclusions on Enlargement and the Association and Stabilisation Process. The GAC reviewed Serbia's progress in its relationship with Kosovo and agreed to open negotiations at an Intergovernmental Conference in January 2014. The GAC also agreed the negotiating framework for Serbia which ensures that Serbia must reach a comprehensive normalisation of relations with Kosovo by the end of negotiations, including through a legally binding agreement. The GAC will revert to the question of granting Candidate Status to Albania in June 2014.

EUROPEAN PUBLIC PROSECUTOR'S OFFICE "YELLOW CARD"

Under Any Other Business, I expressed disappointment that the Commission had not taken the yellow card issued by 11 national parliaments seriously. This was only the second ever yellow card, and the Commission's response would only add to the feeling of disaffection and mistrust among national parliaments and citizens more generally. The review had taken just three weeks and the Commission response contained no new evidence to support the Commission's view.

Several Member States supported the UK intervention, and some stressed their disappointment at the lack of justification provided for the Commission's position. The Commission took note and agreed to continue to consider the arguments and concerns raised by the national parliaments in its preparation for the next stage of the legislative process.

COHESION POLICY

Also under Any Other Business, the Presidency circulated an explanatory note and summarised the main outcomes from the meeting of ministers responsible for Cohesion Policy in Vilnius on 26 November.

3 January 2014

DEPARTMENTAL PRIORITIES UNDER THE GREEK PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION (UNNUMBERED)

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

AN UPDATE ON THE GREEK EU PRESIDENCY DEVELOPMENT PRIORITIES

The Greek EU Presidency began on 1 January 2014. Greece will bring the current Presidency Trio to a close at the end of June 2014. Italy will take over the Presidency for the second half of the year. I am taking this opportunity to update the Committees on the main development files in the Greek Presidency's work programme for the CODEV (development), ACP (African, Caribbean and Pacific states) and COHAFA (humanitarian and food aid) working groups and to outline the UK's objectives in relation to these, set out below.

POST 2015 DEVELOPMENT AGENDA

The post-2015 Development Agenda will continue to be a major issue for discussion under the Greek Presidency. Building on the Council Conclusions on the "Overarching post-2015 agenda" (June 2013) and on "Financing poverty eradication and sustainable development beyond 2015" (December 2013), the Greek work programme envisages further development of the EU position through outreach, using opportunities such as the EU-Africa Summit in April 2014 to share ideas and approaches. The UK is keen that the EU does not rush into defining a detailed position on goals and targets at this early stage in the negotiation. The EU should use this period to listen to the voices of the poorest, to ensure their needs are fully considered in the development of a new framework.

ROLE OF THE PRIVATE SECTOR IN DEVELOPMENT

A Commission Communication on "Strengthening the Role of the Private Sector for Achieving Inclusive and Sustainable Development" is foreseen for adoption in April 2014. It will take forward the *Agenda for Change* commitment to work with the private sector to tackle poverty and boost inclusive and sustainable growth. We welcome this: only by creating jobs and sustainable growth will we help poor countries pull themselves out of poverty, and the private sector is central to achieving this. We will push for the Communication to signal a clear shift in how the EU supports the private sector in developing countries.

RIGHTS-BASED APPROACH TO DEVELOPMENT, ENCOMPASSING ALL HUMAN RIGHTS

In June 2012 the EU adopted the 'EU strategic framework and Action Plan on Human Rights and Democracy.' The Action Plan included a commitment to develop a practical guide (or 'toolbox') to help integrate human rights principles into EU development cooperation. The Commission in cooperation with the EEAS are preparing this under the Greek Presidency and a Staff Working Document is expected by March 2014. CODEV will draft Council Conclusions and officials will seek to ensure that the UK policy position is reflected, in particular that key human rights underpinning development including rights to political participation, transparency, accountability, the rule of law and access to justice, gender equality and non-discrimination are addressed.

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 - are still under discussion in the ACP working group. The Greek Presidency will seek to conclude discussions in time for Council approval in February 2014. The UK has already achieved several of its objectives in the Implementation Regulation, particularly expanding the Commission's responsibilities for monitoring, reporting and evaluation of EDF assistance by increasing the frequency and specificity of collecting results. Reference to a performance mechanism, which would allow for a portion of unallocated resources to incentivise delivery of results in governance, is still outstanding. The UK continues to review the Financial Regulation proposal to ensure sufficient Member State oversight and improved financial management and forecasting.

AFRICA PEACE FACILITY

A priority for the Greek Presidency, and for the UK, is the adoption of the proposal for a three year action programme for the African Peace Facility 2014 - 2016. As a result of UK lobbying on the importance of funding for the AMISOM mission in Somalia, an initial financial commitment of €325 million to support peace operations in 2014 was endorsed by the Political and Security Committee on 5 November 2013. The UK will work hard to ensure appropriate levels of funding for subsequent years.

JOINT ACP-EU COUNCIL OF MINISTERS

The annual Joint ACP-EU Council of Ministers will take place in June 2014 in Africa. We expect the Joint Council to discuss the post-2015 development agenda (building on discussions at the EU-Africa Summit in April), and the future of EU support to the private sector in ACP states.

ARTICLE 96

A number of important Article 96 decisions on appropriate measures (suspending EU development funds channelled directly to the government of a recipient country, though not preventing the EU from providing development assistance through NGOs, multilaterals or the private sector) for Guinea-Bissau, Fiji, Zimbabwe and Madagascar are due for review under the Greek Presidency. This will involve discussion and decision in COAFR on progress made, or results of elections, leading to the possible lifting of measures in some cases. In each case, the UK will want to be sure that the government's adherence to the essential elements of the Cotonou Agreement are in place before any appropriate measures are lifted.

HUMANITARIAN AID AND RESILIENCE

Following the conclusions of the negotiations for the EU Aid Volunteers Regulation under the Lithuanian Presidency, the Greek Presidency will finalise the Regulation and will support preparations for the implementation of the initiative. The UK will continue to push for the initiative to be needs based and to have the greatest impact on humanitarian response in third countries. Resilience and Disaster Risk Reduction (DRR) continue as priority work streams. Greece has also identified innovation and fostering the role of the private sector in humanitarian aid as an additional work stream.

20 January 2014

ELEMENTS FOR A EUROPEAN UNION MARITIME SECURITY STRATEGY (7537/14)

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

The Sub-Committee on External Affairs considered the Joint Communication at its meeting of 13 May and decided to waive the scrutiny reserve ahead of a potential agreement at the European Council on 26/27 June. Please could you keep us updated as negotiations proceed, and provide us with an Explanatory Memorandum on the final text ahead of political agreement on the EUMSS.

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

13 May 2014

EU ACTION PLAN ON GENDER EQUALITY AND WOMEN EMPOWERMENT IN DEVELOPMENT 2010-2015 (UNNUMBERED)

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

The Sub-Committee considered the above document at its meeting of 16th January 2014. It had been cleared from scrutiny at the Chairman's sift.

We note that your Explanatory Memorandum does not make any reference to the recommendations of the 2013 Report to improve gender equality and women empowerment (GEWE) in development

programmes nor does it elaborate on the whether you intend to act on them. We would invite you to keep us updated on the substance of the Council Conclusions to be adopted on this issue and the actions that will be taken to accelerate progress on promoting GEWE in EU development programmes.

We also note that GEWE has read-across with the Foreign Office's Preventing Sexual Violence Initiative. We invite you to explain how your Department and the FCO are coordinating their positions at the EU level to ensure that policy is coherent.

We look forward to your response within the standard ten working days.

20 January 2014

Letter from Lynne Featherstone MP to the Chairman

I am writing to reply to your letter of 20 January 2014 in which you requested further information on the 2013 Report on the Implementation of "EU Plan of Action on Gender Equality and Women Empowerment in Development 2010-2015."

The 2013 report sets out a number of recommendations for improving implementation of the GAP. These include sensible suggestions to tackle specific issues such as improving gender training for junior staff and senior management and reviewing the use of the OECD-DAC Gender Marker to identify inconsistencies between the EU's and Member States' approaches. These recommendations represent a step in the right direction and it is positive to see some practical actions suggested. They do not, however, provide a comprehensive assessment of the issues or set out a mechanism for follow up. Clearly, there is still much work to be done and the UK has already taken steps to push for improvements.

When the 2013 Report on the Implementation of the GAP was presented to the Council Working Group on Development (CODEV), the UK voiced its concerns, along with Germany and France, making it very clear that we were disappointed with progress and we wanted to see the Commission do more to turn EU performance around. We are now pushing, with other Member States, for Council Conclusions on the GAP. No Conclusions have been adopted on the previous (2011 and 2012) implementation reports. Adopting Conclusions at this mid-term stage would therefore send a strong signal that progress so far is not good enough and that more ambitious action is needed. We will update the Committees on the substance of eventual Council Conclusions.

We will also continue to use senior visits and interactions with Commission officials to reinforce the need for a more active approach on gender, as we did, for example, at the EU Directors-General meeting in the autumn, and in follow up to the Multilateral Aid Review.

You asked about how we are working with the EU on other Whitehall initiatives such, as the Foreign Secretary's Preventing Sexual Violence Initiative PSVI. Baroness Ashton, the EU High Representative, supported the delivery of the G8 Declaration on Preventing Sexual Violence in Conflict in April 2013 and she has since underlined her continued commitment to exploring areas for coordination and closer cooperation on PSVI. We will continue to work with the EU in the run up to the UK summit on ending sexual violence in conflict in June 2014, which we hope Baroness Ashton will attend. A number of EU Common Security and Defence Policy (CSDP) Missions have gender advisers and the UK has seconded PSVI experts to the EU Training Mission in Mali (EUTM) to strengthen the capacity of the Malian armed forces to protect civilians from human rights violations including sexual and gender based violence. Emergency assistance measures funded by the Instrument for Stability (IfS) often incorporate the objectives of UN Security Council Resolutions 1325 and related Resolutions, for example working to increase female participation in peace negotiations.

As part of the G8 Declaration, Foreign Ministers agreed to identify what more could be done to tackle sexual violence in humanitarian interventions. In November 2013, Justine Greening, Secretary of State for International Development, co-hosted with Hillevi Engström, Swedish Development Minister, "Keep Her Safe," the UK's Call to Action to protect girls and women in emergencies. Director-General Claus Sørensen attended the event and endorsed the communiqué and commitments on behalf of the European Commission Directorate-General Humanitarian Aid and Civil Protection (ECHO).

We will also be working closely with the EU during 2014 on other HMG priorities on girls and women, such as at the 58th Commission on the Status of Women on 10-21 March 2014, which will focus on the theme of "Challenges and achievements in the implementation of the Millennium Development Goals for women and girls."

3 February 2014

Letter from the Chairman to Lynne Featherstone MP

Thank you for your letter of 3 February on the above report. We welcome the UK's active support and engagement on promoting gender equality and women's empowerment in EU development programmes. It might be useful for the UK to share practices and initiatives that have proven useful as part of UK bilateral assistance with EU partners. Does such a process already exist and if so, how does it work in practice?

Can you also provide us with more detailed information on what actions will be taken to follow-up the findings and recommendations of the report. In particular, how would the UK like to improve performance across the Member States and what steps will the Government be taking to do so? What language would the UK wish to see included in Council Conclusions on this subject?

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

27 February 2014

Letter from Lynne Featherstone MP to the Chairman

I am writing to reply to your letter of 27 February 2014 in which you requested further information on the 2013 Report on the Implementation of the EU Plan of Action on Gender Equality and Women Empowerment in Development 2010-2015.

I appreciate the Committee's interest in, and support for, our engagement on promoting gender equality in EU development programmes. You will no doubt be aware that the House of Commons European Scrutiny Committee has also taken a keen interest in this matter and recommended it for a debate. The debate, which took place on Thursday 6 March, was a useful opportunity to set out the actions that we will take to follow up the 2013 report's findings and recommendations. In response to your letter, I am happy to provide more details on this follow-up work.

Delivering results for girls and women is not simply a matter of technical implementation. It is a difficult agenda, requiring international leadership and commitment. As I made clear in my explanatory memorandum of 20 December 2013, EU action on girls and women is collective action, for which all EU institutions and Member States share responsibility. The UK is recognised for its leading role in driving forward the empowerment of girls and women, and it is important that we continue to lead by example in the EU. Working through the Council, we will work hard to strengthen alliances with likeminded Member States to build momentum and maintain pressure on the Commission, European External Action Service, EU Delegations and other Member States.

Our support and encouragement for our EU partners must come from the most senior levels. That is why my colleagues and I will seek opportunities to raise gender issues with senior Commission officials and Member State ministers and senior representatives over the upcoming months. In particular, I would like to bring it to the Committee's attention that I plan to travel to Brussels later this month and raise my concerns over EU support for girls and women personally with Andris Piebalgs, the Development Commissioner, and Fernando Frutuoso de Melo, the Director-General of EuropeAid.

This year will also see important opportunities to engage EU leaders on these difficult issues at high-profile international events on girls and women. This month, my Right Honourable Friend the Secretary of State for International Development and I attended the 58th session of the Commission on the Status of Women at the UN Headquarters in New York. In June, the Foreign Secretary will co-chair a global summit on preventing sexual violence in conflict, while the Prime Minister will host a summit to tackle female genital mutilation/cutting and early and forced marriage in July. The European Parliament elections in May and the appointment of a new College of Commissioners later this year will be an opportunity to engage early with the next set of EU decision-makers to make sure that girls and women remain a key priority.

As the Committee notes, we have also insisted that EU Ministers should underline their resolve for ambitious EU action on gender through Conclusions adopted at the Foreign Affairs Council on Development in May, where my Right Honourable Friend, the Secretary of State for International Development, will represent the UK. We want the Council to send a strong signal that not enough progress has been made so far and put a spotlight on the Commission and all Member States to deliver on their commitments. The language that we would wish to see included in these Conclusions would reiterate the EU's commitment to gender equality; express the Council's concern that progress on the Gender Action Plan is off-target (including the delivery of the mid-term review); call on the Commission, EU Delegations and Member States to redouble their efforts in implementing and reporting on the GAP, and set out tangible action that should be taken forward immediately;

underline the importance of integrating gender equality in the programming of EU aid; and encourage our EU partners to promote gender equality through playing a major role in relevant international initiatives.

In our follow up to this report, it does not suffice simply to urge our EU partners to do more. We must also support them in building the technical skills and capacity needed to increase EU action on gender and show them what more can be done. As the Committee suggests, sharing practices and initiatives that have proven effective in our own bilateral assistance is a useful way of achieving this. This is a central part of our follow up to the GAP report and of our engagement with our EU partners on development issues more generally. There are a number of channels through which we can share best practices with our EU partners, including the GAP reporting itself, the regular meetings of the EU gender experts group, our working level contact with EuropeAid's gender advisory team and on ad hoc basis in other meetings with EU officials. We are also supporting EuropeAid's gender team directly by seconding a DFID official, expected to take up post in the next few months.

EuropeAid's substantial budget and geographical reach mean it has enormous potential to improve the lives of girls and women everywhere. The programming of the next seven year cycle of EU development assistance under the Multiannual Financial Framework 201-2020 and the eleventh replenishment of the European

Development Fund, which is now in its initial stages, is a critical opportunity. We will use our position on the relevant committees to push for programming to place a strong focus on girls and women.

As I underlined recently in the debate in the House of Commons European Scrutiny Committee, we consider the EU Gender Action Plan to be a useful starting point for EU action in support for girls and women, but one that is limited in its scope and ambition. This year, however, we will push for a more ambitious framework – both at the EU level and the international level. As discussions begin on an action plan to succeed the GAP after 2015, we will push for it to be more ambitious, results-focused, and backed by a coherent implementation strategy. Likewise, as the Committee will be aware, at an international level we are working closely with other Member States to build a robust EU position with a strong focus on girls and women in the negotiations on the post 2015 development agenda.

12 March 2014

EU COMMON SECURITY AND DEFENCE POLICY: CLOSURE OF MISSIONS TO IRAQ AND SOUTH SUDAN (UNNUMBERED)

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

Your committee and the Commons EU Scrutiny Committee have on occasions sounded a note of caution as to the value for money which some EU Common Security and Defence Policy (CSDP) missions offer. You have also stressed how important it is that these missions enjoy the full support of the states hosting them. As you know I share your views on both points.

As I advised in my letter of 27 June 2013 and my Explanatory Memorandum of 23 May 2012, CSDP missions to Iraq (EUJUSTLEX) and South Sudan (EUAVSEC) have been scheduled to close in December and January respectively. However the European External Action Service recently brought forward proposals that both missions should be extended for up to a year. In both cases the reasoning of the Service was that sufficient alternative means of supporting the authorities in those countries were not available. In the case of EUJUSTLEX the proposal to extend sought to overturn an existing on closure agreement less than three months before it was to take effect.

My response to both these proposals was that they were ill-founded and did not justify further expense on the missions concerned. I support CSDP missions when they are effective, focused and address threats to our security, but extensions of the mandates of the Iraq and South Sudan missions would not have passed those tests. The mission in Iraq had run for eight years at considerable cost and, in my view, had achieved all that it was ever going to manage in terms of upgrading Iraqi capabilities. The mission in South Sudan was a well-intentioned and proper response to the new nation's needs, but was undermined by the collapse of the South Sudanese economy, which prevented the authorities from delivering their commitments.

In both cases the argument put to us by the External Action Service was— notwithstanding the clear case for closing both missions - that we should allow them a mandate extension to give other parts of

the EU, and in particular the Commission, time to design follow-up work. My response to that was that the closure dates of the missions had been decided for some time and there had been ample opportunity to plan follow-up. I feel that the EU Institutions need to understand the importance of advance planning and that the default, when this has been omitted, should not be to extend a mission that has delivered all it can.

I instructed UK officials in Brussels to oppose the suggested extensions. I am pleased to report that in both cases decisions to close the missions were reconfirmed last month. The UK was often alone in advancing the principled arguments for closure. While I was willing and prepared to act alone to block these extensions if necessary; in the event other member states were ready to follow our lead. Our officials are now pressing the External Action Service to learn lessons from this episode and to avoid proposing any future expensive last-minute extensions as a response to poor planning and preparation for transition.

In your letter of 26 June 2013 you requested more information about how the Commission intends to continue the EU's rule of law engagement with Iraq. Our latest understanding is that a Commission Governance programme will begin its work with Iraqi institutions in Autumn 2014.

10 December 2014

EU-COMMON SECURITY AND DEFENCE POLICY MISSION TO THE CENTRAL AFRICAN REPUBLIC (CAR) (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 concerning restrictive measures against the Central African Republic (CAR).

On 5 December 2013, the United Nations Security Council (UNSC) adopted Resolution 2127 (2013), which the UK strongly supported. The resolution mandated the immediate deployment of French forces and the African-led International Support Mission (MISCA) with the aim of protecting civilians and stabilising the country and ensure the delivery of sufficient humanitarian assistance. Resolution 2127 also imposes an arms embargo against the Central African Republic. I regret that due to the pace of events in the EU I find myself in the position of having had to agree to the adoption of this Decision before your Committee has had to scrutinise this document.

Given the dramatic humanitarian crisis, the EU and its member states have tripled their humanitarian assistance since 2012 - more than €60 million in 2013. On 8 December, the EU launched a humanitarian air bridge to ferry humanitarian goods and personnel into the country.

Due to this urgent humanitarian situation it was therefore necessary on 19 December 2013 for the EU to adopt the measures agreed in the UN Security Council. Without adoption Member States would have been in breach of their UN Security Council obligations to implement the arms embargo and increased the risk that arms could still be legally supplied to CAR until adoption could take place.

As developments in the Central African Republic continue I and my officials will ensure that you are aware of events and will provide updates where appropriate. As you know, the responsibility to keep your Committee informed on issues concerning sanctions is something I take seriously, but the need to override parliamentary scrutiny on this occasion is unavoidable.

3 January 2014

Letter from David Lidington MP to the Chairman

I am writing to give you advance notice of a probable submission to the Committee of an EU Council Decision concerning the launch of a short-term, targeted EU-CSDP mission to the Central African Republic (CAR).

Former President Bozizé was removed from power by a loose coalition of well-armed, mainly Muslim, rebels called 'Séléka' in March 2013, and one of Séléka's leaders, Michel Djotodia, installed. Fighting between Séléka elements and vigilante groups claiming to defend the majority Christian population has followed. State security structures have collapsed, and the humanitarian situation is now serious, with around 2.2m people, out of a population of 4.6m, assessed by the UN to be in need of humanitarian assistance. The UN estimates that a quarter of the population has been displaced.

Over the last month, the security and humanitarian situation in CAR has deteriorated considerably. A further 1,000 deaths have been reported in Bangui, and there are continued reports of sexual violence, recruitment of child soldiers, summary executions and looting of property.

The UK's overriding objective for CAR, and that of our international partners, is to bring a stop to violence on the ground and to enable the delivery of humanitarian assistance. To help achieve this, discussions are ongoing in Brussels about a possible CSDP military operation to support African Union and French forces. This proposed operation would aim to help stabilise the situation by providing effective, capable support to the African led MISCA operation while it is reaching full capacity, at a time when violence in CAR has reached particularly appalling levels.

In broad terms, the CSDP operation would entail a small EU force of a few hundred personnel to contribute to security at Bangui airport, where around 100,000 people are currently seeking shelter, and provide support to the African Union to help facilitate its full deployment. We have made clear the operation must have a tightly-focused and time-limited mandate; a robust budget within existing funding rules; and a clear exit strategy with no open ended EU commitment. The UK is not planning to contribute personnel.

The UK would expect to pay a 14.82% share of the common costs of the military CSDP operation. There are no budget estimates yet, but based on previous missions our share is likely to be in the low millions of pounds. HMG would provide this funding from the Peacekeeping budget which on current planning has sufficient capacity and flexibility to absorb this spend in the short term.

I expect the UK will be asked to endorse a CSDP operation in principle at the Foreign Affairs Council on 20 January. Given the dire situation on the ground, we are minded to agree. Swiftly after, there will be a strong push for a formal Council Decision to establish the operation, alongside a process for a UN Security Council Resolution granting the EU a mandate for action. We will of course ensure that this Decision is submitted for scrutiny as quickly as we can.

I fully appreciate your important role in scrutinising EU legislation. As you know, I take seriously the responsibility to keep your Committee informed and to give you sufficient time to consider decisions prior to their adoption. Unfortunately, developments on the ground and the tight decision-making timetable necessitate rapid action with regards to the EU-CSDP mission. My officials are working to ensure these negotiations are, where possible, completed with sufficient time for Parliamentary scrutiny before a Council Decision is formally adopted. However, I would be very grateful if the Committee were able to consider the Decision with some urgency once it has been submitted for scrutiny.

16 January 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter on the EU Common Security Defence Policy (CSDP) Mission to the Central African Republic (CAR) which the EU Sub-Committee on External Affairs considered at its meeting on 23 January 2014.

We would like to know more of the reasoning behind the scale of the mission and mandate that is proposed. Are you satisfied that a mission of "several hundred" personnel with a very narrow remit of securing Bangui airport is an adequate response to the rapidly deteriorating situation in CAR? Were there other more ambitious options suggested and rejected? What are the particular concerns amongst the EU Member States about a deeper engagement in the CAR?

We would also ask you could clarify the thinking behind the UK's decision not contribute personnel. Will the UK be offering other forms of practical or military support to the EU CSDP mission?

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

28 January 2014

Letter from David Lidington MP to the Chairman

Thank you for your letters of 22 January and 28 January in response to mine of 16 January giving notice of the possible launch of an EU-CSDP Operation in CAR. As anticipated, I now submit an Explanatory Memorandum on the draft Council Decision on establishing an EU Operation in CAR, as well as a draft mandate to open negotiations with the CAR authorities on a Status of the Mission Agreement (SOMA).

I am particularly grateful for your reassurance that your Committee will give this issue the highest priority. The humanitarian and security situation in CAR is extremely concerning. Although the deployment of French and AU forces appears to have stabilised the security situation in Bangui, the city remains tense with sporadic fighting. In the rest of the country, fighting continues in the west and north-west and most residents are still too afraid to return to towns. The numbers of IDPs are now estimated at over 935,000 (out of a population of 4 million) with 512,000 in Bangui alone (population 800,000). Although some people in Bangui are returning home from IDP camps, there is still a considerable humanitarian challenge.

I believe the proposed EUFOR will provide essential support to the country and to the AU. Given the fragile situation in the capital, the fighting elsewhere in the country and the dire humanitarian situation, the Government believes that the mission should be launched as rapidly as practical, subject of course to the need for proper operational planning. We hope to be able to adopt this Council Decision at the 10 February Foreign Affairs Council. That would enable the EU formally to appoint the Op Commander and OHQ and advance the next stages of planning swiftly. A further Council Decision would be required to launch the Operation and my working assumption is that this would take place in the near future. We are working to a tight timetable, on which I would be grateful for your continued understanding and I hope that the Council Decision can be considered as a matter of urgency. My officials would be very happy to provide an informal oral briefing to help facilitate this.

The Council Decision is still under negotiation in Brussels but I wanted to submit this draft to the Committees as soon as possible. My officials are working to ensure it fully reflects a tightly focused operation with a clear timeframe, mandate and scope, based on the Crisis Management Concept (CMC) that was agreed at the Foreign Affairs Committee on 20 January. While the CMC is an internal (Restricted) outline document, the content is reflected in the enclosed [not printed] EM. I will update you on the final Council Decision should there be any significant changes.

I have sought to address the concerns you raise in your letters in the EM, based on the available information at this stage. However, I hope you will understand that more detailed operational planning, including such details as the size of the operation and a breakdown of the budget, will be clearer following the adoption of the Council Decision. The UK is not planning to provide combat troops and unfortunately I am not in a position to provide any more indication of any other options for UK support at this stage. However I will of course update you on this and your other points raised, as we go forward.

30 January 2014

Letter from the Chairman to David Lidington MP

The EU Sub-Committee on External Affairs considered the above proposal at its meeting on 6 February 2014 and cleared it from scrutiny. Thank you also for your letter of 30 January with further information on EUFOR RCA.

While we recognise that many details of EUFOR RCA are still evolving, we would nonetheless appreciate if you could address some of our questions regarding the impending mission. We understand that the precise numbers of personnel for EUFOR RCA are still being negotiated, but would invite you to offer us an update on how force generation, for both personnel and capabilities, is proceeding. We would also invite you to elaborate on what steps, if any, the EU is taking to ensure that the African led mission (MISCA) is adequately funded and resourced, including whether the EU will pay the salaries of the expanding MISCA forces through the African Peace Facility.

In your letter of 30 January, you inform us that you are not able to provide us with any further information on "any other options for UK support at this stage". We would be grateful for a more comprehensive update when you are able to provide one, but in the meantime we would ask you to set out why the UK has taken the decision not to field combat troops.

Beyond the military component, we would also like to know how the EU intends to engage with recent political developments in the Central African Republic over the coming months, including the interim President and plans to hold elections.

Finally, we would like to stress the importance of ensuring that this Committee is updated promptly. In undertaking scrutiny of other CSDP missions we have found you, and your officials, both open and forthcoming. We look forward to the same level of cooperation and dialogue on this new EU CSDP mission.

We look forward to your response in due course.

10 February 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 10 February about EUFOR RCA. I am grateful for your continued interest in CAR and the EU's role.

Following Parliamentary Scrutiny, the Council Decision to establish EUFOR RCA was adopted at the Foreign Affairs Council on Monday 10 February. As officials were only able to submit an early draft of the Council Decision for Scrutiny, I promised to update you on the final Council Decision following its agreement. UK objectives were fully achieved at the RELEX negotiations; we pushed to ensure the final Decision reflected a tightly focused operation with a clear timeframe, mandate and scope. We successfully built the following additions into the Decision:

- That EUFOR RCA should deploy as rapidly as possible to Full Operating Capability (FOC) to contribute to the stabilisation of the situation;
- That EUFOR RCA should conduct mandated tasks with a view to a handover to AFISM-CAR within four to six months from achieving FOC;
- A financial reference amount of €25.9m for the common costs of EUFOR RCA. An additional €3.7m of common funding has since been allocated for forces' accommodation; however the total figure is still a significant reduction from the draft Reference Amount of €39.6m;
- A PSC assessment of progress three months after the Operation's launch.

I attach a copy of the final Decision for your information – you will note that Major-General Phillippe Pontié has been appointed the EU's Operation Commander and the EU Operation Headquarters will be located in Larissa, Greece.

The focus in Brussels has now turned to the formal planning process, which will include finalising the detailed Operational Plan and closing the negotiations with CAR authorities on the status of the operation (SOFA), which will necessitate another Council Decision. A draft version of the SOFA was shared with UK officials this week, in advance of discussions at RELEX on Thursday 20 February. I am attaching the current draft to give you an idea of direction of travel.

We understand that agreeing the SOFA with CAR authorities should progress smoothly. MISCA was launched only two weeks after the UN Security Council Resolution mandating it. On 24 January, President Catherine Samba-Panza wrote to Baroness Ashton stating that the provisions of the EUFOR TCHAD/RCA SOFA from 16 April 2008 should serve as the basis of the new EUFOR RCA SOFA, so as to allow agreement with the shortest delay, and declared unilaterally that CAR would grant the privileges and immunities of EUFOR TCHAD SOFA to EUFOR RCA and its personnel.

The formal planning process also includes the start of force generation for EUFOR RCA. I am not in a position to provide much detail as force generation is ongoing, with a Force Generation Conference scheduled for 27 February. However I understand that France, Estonia and Poland have all expressed a firm interest, as has Georgia, and initial indications are that the EU will manage to generate the expected number of forces.

You enquired about what steps the EU is taking to ensure the African-led International Support Mission to CAR (MISCA) is adequately funded and resourced. As you are aware, the African Peace Facility (APF), funded through the European Development Fund, was set up to support peace and security on the African continent in the framework of the EU-Africa Partnership. In November 2013, EU Member States endorsed the EU Commission's recommended allocation of €325m to the APF in 2014. EU Member States agreed to the payment of €50m on 5 December from the 2013 APF allocation to cover MISCA costs of troop stipends, fuel and provisions until 30 June 2014. The UK contribution to this is 14.92% through EU assessed costs. Because higher than expected force levels were agreed by the AU, the EU is expecting a second request for an additional €25m of funding for CAR to ensure that the MISCA mission can operate until the end of June. The AU and UN also organised a donors' conference in the margins of the AU Summit in Addis on 1 February to try to ensure sustainable and predictable funding. The conference raised funding pledges totalling \$314m.

UK support has been focused on ensuring the international community is co-ordinated and responding as effectively as possible. In parallel, we have worked closely with the AU and UN given that they are leading the international response. We have also committed a substantial humanitarian aid package of £15m to CAR to support the UN and others to deal with the humanitarian crisis.

The government made a careful assessment of how the UK could best support both the EU's efforts and MISCA. Although the UK has decided not to contribute troops, we will continue to play our part in ensuring that EUFOR RCA and MISCA are equipped with the assets they need. We have already

supplied £2m of bilateral support to MISCA, and UK support now includes the provision of a military officer to assist with operational planning in the Headquarters in Larissa, based on a longstanding commitment to provide staff to the Operation Headquarters when a national headquarters is activated for a CSDP operation. The Prime Minister offered further bilateral logistical support to France at the UK-France Summit on 31 January, following on from the UK's previous provision of three RAF C-17 flights to help with the rapid deployment of equipment of French forces in support of MISCA in December 2013. The offer of support includes logistical lifts and air to air refuelling and the provision of subject matter expertise on remotely piloted air systems.

Politically, the election of Catherine Samba-Panza as Head of State of the Transition Government on the 20 January was a positive first step along the path to political stability. Whilst the President's first priority is security, the EU are continually engaging with the transitional government in Bangui to work towards implementing the political process, including the holding of free and fair elections within the agreed timetable. However the main efforts driving political transition are channelled through BINUCA, the UN Peacebuilding Office in CAR. BINUCA has been mandated to focus on the implementation of the transition process, including expediting the re-establishment of constitutional order by identifying, facilitating and coordinating regular communication between stakeholders. BINUCA is also providing strategic advice, technical assistance, and support, to ready the political and security context in the lead up to the elections. We strongly supported efforts to renew BINUCA's mandate, and have recently strengthened BINUCA's political mandate to prepare for elections by February 2015, to promote and protect human rights, and to support the stabilisation of the security situation.

As you are aware, we are still waiting on a Council Decision to launch EUFOR RCA (CD2). We anticipated submitting the first version of CD2 for Scrutiny this week, but have not yet received a draft copy. My officials will submit both CD2 and the Council Decision closing the negotiations on SOFA to you as soon as possible, and ensure the points each Committee raised are addressed in greater detail in the next EM.

Finally, I would like to thank you and the EU Sub-Committee on External Affairs for considering the Council Decision to establish EUFOR RCA with such urgency. We will be working to another tight timetable for CD2, on which I would be grateful for your continued understanding.

21 February 2014

Letter from the Chairman to David Lidington MP

At its meeting of 27 February the EU Sub-Committee on External Affairs considered the above document which had already been cleared from scrutiny. We have cleared this Council Regulation without any specific listings being proposed. We would therefore request that you please update us when specific listings are proposed, either by France or other Member States, and we will of course also take interest in the statement of reasons for any listing proposed.

27 February 2014

Letter from David Lidington MP to the Chairman

Thank you for expediting the clearance of the second Council Decision to launch EUFOR RCA on 5 March 2014. As anticipated, I now submit an Explanatory Memorandum on the draft Council Decision on a Transfer Agreement between the EU and CAR, establishing a framework to be able to transfer prisoners held by EUFOR RCA to the CAR authorities. The detail is in the EM, but is worth noting that negotiations between Baroness Ashton and the CAR authorities are now complete and will be on the agenda of the RELEX working group on Monday 24 March 2014. We will of course maintain our scrutiny reserve until it is cleared.

Further to the Explanatory Memorandum of 28 February, preparations have continued for the launch of Operation EUFOR RCA. I am extremely grateful to the committees for the quick work in clearing the Council decision to launch Operation EUFOR RCA. May I also pass on the thanks of EU partners for the timely manner in which your Committee cleared this.

Following the initial Force Generation Conference of 25 February, there have been two more conferences held on the 5 and 13 March. The Operational Commander (OpComdr) and the High Representative have also written to Member States to request further contributions. The key shortfalls are infantry units, logistics (e.g. strategic air lift) and key enablers (e.g. intelligence capabilities) to be able to launch the operation and reach initial operating capability (IOC). Due to the current shortfalls, the OpComdr advised the High Representative and Member States that there were

not enough forces in place to launch the mission for the target date of 17 March (Foreign Affairs Council). We expect a further Conference to be announced soon.

As you know, we have already offered further C17 support to the French on a bilateral basis. MoD is seeking more detailed information on the airlift requirements in order to determine if we are able to support EUFOR. I will update the Committee in due course (including the final copy of the Council Decision to launch the Operation).

While there are signs of some improvement in the security environment, the situation remains fragile and gaining an accurate picture continues to prove challenging. Levels of inter-religious violence and tensions are still high and the grave humanitarian situation will likely worsen with the onset of the rainy season. We therefore remain concerned about the situation in CAR and are clear that a political process leading to a sustainable constitutional government is the only long-term solution in CAR. It is key that we continue to support the AU, EU and UN efforts to increase security to create the environment for the necessary humanitarian and political improvements.

The UN Security Council mandated the AU's MISCA force alongside a French deployment in December 2013 and supporting this is our immediate focus. However the Secretary General issued a report earlier this month calling for the immediate authorisation of a UN Mission, to take over leadership of security efforts from the AU mission in September. We are considering the recommendations carefully, including to ensure the international response is correctly configured and planned to tackle the violence.

19 March 2014

EU COMPETITIVENESS COUNCIL 20-21 FEBRUARY 2014 – PRE-COUNCIL WRITTEN MINISTERIAL STATEMENT (UNNUMBERED)

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

The European Competitiveness Council will take place in Brussels on 20 – 21 February 2014. I will represent the UK on day one of the Council and David Willetts on day two.

The Internal Market and Industry substantive agenda items on 20 February will be: a policy debate on industrial competitiveness; and a policy debate on the European Semester.

Eight any other business items will be discussed: an information point from the Commission on the 9th Ministerial meeting of the Union for the Mediterranean on Euro-Mediterranean industrial cooperation; presentations from the Commission on the European Tourism Quality Principles, the European Strategy for Coastal and Maritime Tourism and State Aid Modernisation; an information point from the Italian delegation on the impact on the EU aquis of “Hybrid” nutrition labelling system recommended in some Member States; information points from the Presidency on Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large companies and groups; and a state of play report on the Statute for a European Foundation.

The substantive research items for day two will be: a presentation by the Commission and a policy debate on the European Semester (research and innovation aspects); and adoption of Council conclusions on the European Research Area.

Three any other business items will be discussed: progress on the negotiation of proposals for the participation of the Union in programmes undertaken by Member States under Article 185; progress on the negotiation of proposals on Joint Technology Initiatives Joint Undertakings established under Article 187; and international agreements in the field of research.

There is one substantive space item for day two, a progress report on establishing appropriate relations between the European Union and the European Space Agency. Two any other business items will be discussed: an information point from the Commission on the international space exploration forum; and proposals for establishing a Space Surveillance and Tracking Support Programme.

The Government objectives for the Council are to:

- Set out the UK’s priorities for EU industrial policy;
- Set out UK position on issues related to the European Semester deriving from the latest Annual Growth Survey;

- Adopt unchanged the draft Conclusions on the European Research Area;
- Agree latest texts on A185 and 187 proposals as part of progress towards a First Reading deal with the European Parliament; and
- Secure support for the Government's position on the relationship between the European Space Agency and the EU, namely that ESA should remain an independent organisation outside of the EU but that where ESA delivers EU programmes such as the Galileo satellite navigation system, ESA should reform to allow the relevant parts of the Agency to operate in accordance with EU rules.

18 February 2014

EU FOREIGN AFFAIRS COUNCIL 8 MAY 2014 - PRE-COUNCIL WRITTEN MINISTERIAL STATEMENT (UNNUMBERED)

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

The EU Foreign Affairs Council (Trade) will take place in Brussels on 8 May. 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.

1 May 2014

EU-LEBANON AND EU-MOROCCO EUROPEAN NEIGHBOURHOOD POLICY ACTION PLAN (UNNUMBERED)

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

Following my letter of 8 October 2013 on the status of the EU-Lebanon Action Plan, I am writing to update you before year end.

At the time of my last letter, this action plan was twinned for adoption with the EU-Morocco Action Plan and neither plan had been updated.

Since then I can report that no changes have been made to the substance of the EU-Lebanon Action Plan, which will now be adopted separately from the EU-Morocco Action Plan. The Lebanon Action Plan will likely be adopted in early 2014, although no precise date has yet been identified. I can also let your committee know that we do not anticipate that the EU-Lebanon Action Plan will be changed prior to adoption, so the version that your Committee now has is the final version for your consideration.

Discussions around the form of adoption for ENP Action Plans continue in Brussels, with no conclusive outcome to date. Once the form of adoption has been agreed in Brussels, I will write again to update you.

2 December 2013

Letter from David Lidington MP to the Chairman

When I wrote to you previously on 2 December, specifically on the EU-Lebanon Action Plan, I noted that discussions on how Council should agree a Union position on the adoption of Action Plans were still continuing.

I can now confirm that, following agreement in principle at COREPER on 4 December, the Foreign Affairs Council on 16 December will agree a Union position on the adoption of the EU-Morocco Action Plan by means of an I/A note. This is an ad hoc approach and applies only to the EU-Morocco Action Plan and the EU-Lebanon Action Plan. The EU-Lebanon Action Plan will be adopted by the same mechanism, but at a later Council meeting likely in early 2014.

As you know, the UK Government's position is that European Neighbourhood Policy (ENP) Action Plans are essentially political and without legal effect, and as such the Council should not agree a Union position on their adoption by means of a legally binding Council Decision. The UK Government's position remains that the Union position on such Action Plans should be properly agreed by way of Council Conclusions, by consensus. In this particular case I considered that the use of an I/A note was acceptable because, though it may not have the political weight of Council Conclusions, it is, like Council Conclusions, an exercise of Council's Article 16 policy-making function, and agreed by consensus, in line with the UK Government's position.

As part of this approach, the Council will make a Declaration which confirms that this approach does not constitute a precedent beyond the EU-Morocco and EU-Lebanon Action Plans, and that in future the Council procedure will be determined with regard to the content of the Action Plan. As such I expect discussions on the question of the form of adoption of future ENP Action Plans to continue and I will keep you updated on their progress.

10 December 2013

Letter from the Chairman to David Lidington MP

Thank you for your letter of 2 December on the above proposal, which the EU Sub-Committee on External Affairs considered at its meeting of 12 December.

As you do not anticipate any further changes to the substance of the EU-Lebanon Action Plan, the Committee have agreed to lift the scrutiny reserve.

There is no need to respond to this letter.

17 December 2013

EU'S COMPREHENSIVE APPROACH TO EXTERNAL CRISIS AND CONFLICT (17859/13)

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 Joint Communication along with your letter of 16 December 2013 at its meeting on 9 January 2014. The document had been cleared from scrutiny at the Chairman's sift. From your letter we understand that you have some concerns about the proposal and intend to negotiate accordingly. We would be grateful if you would keep us updated on the negotiations as they proceed.

We look forward to your response in due course.

14 January 2014

Letter from David Lidington MP to the Chairman

On 16 December 2013, I copied to you my letter to Bill Cash MP outlining our views on the Joint Communication on the European Union's Comprehensive Approach. I explained that the document was broadly welcome, but that there were some areas of concern: introduction of language on consular protection and security expertise in EU delegations; a weakening of language regarding EU institutional coordination; and insufficient detail on how the proposed actions would be taken forward or their implementation monitored.

The European Scrutiny Committee's 29th Report of 8 January (No 35696) asked that I write again following Council Conclusions outlining how our concerns have been satisfied. I thought you may also welcome an update on this, and on implementing the December 2013 European Council Conclusions on defence more widely.

Conclusions were adopted at the Foreign Affairs Council on 12 May. They set out an agreed definition of the concept and provide clear direction to the Commission and EEAS to take more concerted action in priority areas for implementation, heavily based on UK language. We ensured they fully addressed our previous concerns with the December 2013 Joint Communication and do not formally endorse the document. In particular, the Conclusions task the EEAS and European Commission to draw up an implementation plan setting out concrete and priority actions through clearly defined focal points, by the end of the first quarter of 2015. It also calls on the EU institutions

to address their working practices to improve coordination. There are no references to consular protection and security expertise in EU Delegations.

Additionally the Conclusions helpfully specify:

- That all EU tools and instruments should be considered at the outset, not just CSDP.
- That a coordinated EU response should be anchored in shared analysis and common vision across the institutions.
- The need for improved and better use of Early Warning Systems across the EU services.
- That an EU response requires more coherence between long term objectives and short term action – including building in transition and exit plans from the beginning.
- A recognition that the Comprehensive Approach should apply to all stages of the conflict cycle (early warning-prevention-crisis management-stabilisation-peace building).
- The need for greater use of EU Delegations in country to make full use of local knowledge and expertise to better inform policy decisions made in Brussels.
- A greater emphasis on working in partnership is needed through other multilateral fora e.g. NATO, UN, and the AU.

This was an important and successful outcome for the UK which should improve the way EU contributes to conflict prevention, crisis and stabilisation. We will continue to press the EU institutions to fulfil their commitments.

DECEMBER 2013 EUROPEAN COUNCIL ON DEFENCE

There have been limited concrete developments to report, largely because many of the work streams remain in preparatory phases, and because events in Central African Republic and Ukraine have dominated CSDP discussions in Brussels in recent months. In addition to the work on the Comprehensive Approach, you will already be aware of developments on the EU Maritime Security Strategy (EUMSS). We are also ensuring UK priorities such as improving the CSDP lesson-learning cycle and civilian planning and management, are developing in the right direction and we expect working group discussions to begin shortly on improving civilian capabilities. The review of CSDP financing is also in early stages, through which we want to inject more financial rigour and efficiency into CSDP planning (although there will also be risks for the UK particularly on pressure to extend common funding, as I outlined in my letter to you of 6 January after the European Council which we will work robustly to manage.)

Ukraine has helpfully increased the collective EU recognition that the EU and NATO must coordinate better across the board. The Government is ensuring this is reflected throughout implementation of Conclusions on wider issues, such as in the draft EUMSS, early discussions on a new 'EU cyber defence policy framework', as well as new EDA projects and work on developing a new 'Policy Framework for systematic and long term cooperation on capabilities'.

On the defence industry agenda, MOD and BIS continue to engage the Commission at Ministerial and official level to push our priorities for follow up. The Commission intend to submit their roadmap on implementing the Commission Communication to the European Parliament and Council in July. The Government will continue to press hard, with key partners, to ensure the content is in line with UK thinking.

I am aware of both Committees' interest in scrutinising a number of documents related to the December Council Conclusions. I will of course submit these in line with the usual procedures or provide as much information as possible once those documents have been finalised. We expect HR/VP Ashton to report on progress at the July Foreign Affairs Council, at which point I shall be happy to give you a more substantial update and clearer timetable going forward.

2 June 2014

EULEX RULE OF LAW MISSION IN KOSOVO: STRATEGIC REVIEW UPDATE
(UNNUMBERED)

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

You will be aware of my correspondence with the Commons Scrutiny committee highlighting the difficulties we are facing over the EULEX Strategic Review. I am writing to update you on the progress of the Review, and also the Special Investigative Task Force which sits under EULEX.

The Review of EULEX is still under discussion in EU working groups. It broadly accords with our vision of a smaller, more efficient EULEX. However several problems have emerged which are delaying the passage of the Review, and which may reduce the time available for parliamentary scrutiny of the forthcoming Council Decision.

The Review recommends that the Special Prosecutions Office (SPRK), which handles sensitive cases, should focus on completing its current case-load for the next mandate, and be chaired by a local prosecutor. We agree with these proposals, although clearly there is a sensitive balance to be struck between local ownership and necessary autonomy for international prosecutors and judges. Because many other Member States are equally concerned to get this balance right, the discussion over safeguards is taking longer than anticipated.

Secondly, the EEAS initially proposed a substantial handover of EULEX-led capacity-building activities to the EU Special Representative's Office. We agreed with this proposal, which would help make EULEX less unwieldy. Yet despite the UK urging for a joined up approach (we have been lobbying on this issue since July 2013 at levels from the PSC downwards in Brussels and via European capitals), the EEAS has left it too late to coordinate this transition with the Commission, which presides over EUSR funding streams. It now transpires that EULEX cannot hand over any of its capacity-building in a considered way until June 2016. We are continuing to insist on appropriate budget reductions where achievable, but this will affect the overall reduction in staff and budget that we had hoped to see in the next EULEX mandate, and may delay Member State agreement to the Review.

The EEAS has also indicated that the technical documents that accompany any mandate renewal – such as the Operational Plan, or the annual budget – may not be drafted in time for a Council Decision to be passed by June. The EEAS may only be able to draft a budget for the first 4 months of the new mandate (during which time the Strategic Review will be implemented). We have registered our disappointment with this mismanagement, and continue to press for these documents to be drafted by June. We have also made clear that any additional budgets will be subject to parliamentary scrutiny and that the EEAS must make sufficient time available for this.

Finally, the EULEX Council Decision will also include the next steps for the Special Investigative Task Force. The task force, a part of EULEX since 2011, has been investigating the allegations made by Dick Marty in 2010 of organ trafficking and other serious crimes committed immediately after the 1999 conflict. The SITF now needs to issue an indictment, leading to a trial process which must take place in an out-of-country court given continuing concerns about witness protection in Kosovo. This will be an extension of EULEX activities, which have involved out-of-country court arrangements on some previous occasions, but the SITF case will require extensive internationalisation given the sensitivity of the cases. This is likely to require difficult negotiation with Kosovo to ensure that a credible trial is brought to fruition, but under intense time pressure as the statute of limitations for many of the alleged crimes expires in June.

For these reasons, the time for a considered approach to the EULEX Strategic Review – that we had been calling for since July of last year – has been severely reduced. I will update you when we have more details and clear timings for a Council Decision, but I fear that we will need to ask you in due course to prioritise consideration of this Decision. I hope that this may be possible given the importance of rule of law issues in Kosovo and the sensitive SITF case. My officials will remain in close contact with your Clerks about this issue as it develops.

24 March 2014

EUNAVFOR OPERATION ATALANTA: MANDATE EXTENSION (UNNUMBERED)

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

I am writing to make your committee aware that the proposal for a new mandate for Operation ATALANTA will come up for scrutiny in February.

Piracy off the coast of Somalia directly impacts on UK security and prosperity. At the height of the piracy problem in January 2011, 32 vessels were captured and 736 hostages held. This threatened both British mariners and British trade. The UK shipping industry contributes £10.7 billion to our GDP, much of which passes through the Gulf of Aden. Furthermore, profits from piracy and ransoms help fund the Al Qaeda-linked extremist group Al-Shabaab.

Operation ATALANTA is the EU naval mission launched in 2008 in response to the rising levels of piracy and armed robbery off the Horn of Africa and the Western Indian Ocean. ATALANTA plays a critical role in deterring and disrupting piracy off the coast of Somalia. Piracy has greatly reduced in the region – from 47 ships captured in 2010 to none in 2013 - but the business model remains viable. Indeed, there have been five attacks since the start of the inter-monsoons transition illustrating that the piracy threat has been suppressed rather than eliminated. EU Naval Forces play a vital role in mitigating threats while efforts continue to build local capacity in Somalia and the neighbouring regions to tackle piracy and its underlying causes.

ATALANTA is part of the EU's comprehensive approach in the region. ATALANTA works alongside other naval missions, namely NATO OCEAN SHIELD and Combined Maritime Forces (CMF) Task Force 151. However, it plays a unique role as the only counter-piracy mission allowed to disrupt pirate logistic dumps ashore – for example; in May 2012, a dump was disrupted that had great strategic impact.

The recent EU External Action Service *Strategic Review* of Operation ATALANTA recommends a two year extension of the mission to December 2016 and minor changes to the existing mandate. HMG supports the Review's recommendations as an important means of containing the significant threat piracy poses to UK citizens and the shipping industry.

The conclusions of the Review are currently being discussed by experts in working groups and will be discussed again by the Political and Security Committee in early January. We then anticipate that the revised Council Decision, providing for the mandate extension, will be tabled for Council consideration in February. It is this decision that would require scrutiny.

If the two year mission extension passes scrutiny, the UK will continue to provide the 2* Operation Commander and the Headquarters at Northwood. The proposed changes to the mandate would be met from within existing means and capabilities. As a military led mission, ATALANTA's common funding elements come from the ATHENA mechanism. The UK funds its contributions to this mechanism through the tri-departmental (MoD, FCO, DFID) Peacekeeping budget. The common costs for ATALANTA in 2013 were €7.5m, of which the UK contribution will be approximately €1.15m or 15.4%. Costs will be similar year on year for 2014 to 2016.

I will keep you up to date on the progress of the Review and an explanatory memorandum with fuller details on the mission and the review will follow in due course.

21 January 2014

Letter from the Chairman to David Lidington MP

The EU Sub-Committee on External Affairs considered your letter of 21 January at its meeting on 6 February 2014.

We are grateful to you for providing notice of the imminent proposal to extend the mandate of Operation ATALANTA. As you may be aware, this was one of the recommendations in our most recent report on that Operation (3rd Report of Session 2012-13, Para. 20) and therefore we welcome the prospect of a mandate extension in principle.

We would nonetheless invite you to provide a summary of the EEAS review which has resulted in the proposal for a mandate extension, and to set out in more detail what position you and your officials have been taking in discussions on the review, including the extent to which your position takes account of the conclusions and recommendations in our latest report, which I enclose [not printed] for ease of reference.

We would also ask you to indicate whether there is any connection between the decision to extend the mandate for this mission and the approach the UK and EU have taken to the Gulf of Guinea.

10 February 2014

EUROPEAN COURT OF AUDITORS' SPECIAL REPORT: EU DEVELOPMENT ASSISTANCE FOR DRINKING WATER SUPPLY AND BASIC SANITATION IN SUB-SAHARAN COUNTRIES (14531/12)

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

The Committee has now received a response from Commissioner Piebalgs regarding our inquiry into the European Court of Auditors' Special Report on EU Development Assistance for Drinking Water Supply and Basic Sanitation (WASH) in Sub-Saharan countries.

In your letter of 27 August 2013 you informed us of your intention to raise the profile of WASH at future EU events and in particular you supported our recommendation that EC Delegations should be actively engaged in supporting and strengthening locally-led processes. We would be grateful if you could update us on steps you have taken on both these fronts and their outcome.

We look forward to receiving your response within the standard ten working days.

28 January 2014

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 28 January 2014 regarding the European Court of Auditors Report on Development Assistance for Drinking Water Supply and Basic Sanitation in sub-Saharan countries.

Since my last update to the Committee on 26 September, DFID officials have continued to monitor the response of the Commission to the issues raised in the report. A written request for information was sent at Head of Department level, and this was followed up in a meeting between the DFID Director-General Policy and International and the Deputy Director General of DEVCO in November 2013. You will have also noted the letter from Commissioner Piebalgs to the Lords Scrutiny Committee in October 2013, which sets out the response of the Commission to the report.

The Commission has committed to monitor EU WASH projects over the period of one year to ensure compliance with project design and formulation procedures, including strengthening locally-led processes. DFID officials will continue to discuss with the Commission the progress being made and seek regular updates.

The Commission is currently undergoing a country strategy process for the next seven year programme cycle. Countries have been asked to maximise three sectors only (four in fragile states). In this context, the Commission does not intend to continue funding the ACP-EU Water Facility. This will mean a smaller number of countries will have EU funded WASH programmes. However, we expect that there will be an increased focus on nutrition which will have a strong read across to WASH, given its proven importance to promoting better nutrition.

I will visit Brussels in the spring and will look for further opportunities to raise progress with the Commission.

11 February 2014

Letter from the Chairman to Lynne Featherstone MP

The Sub-Committee considered your letter of 11 February on the above subject at its meeting of 6 March.

We note your reference to our Committee in the third person, drawing our attention to the response from Commissioner Piebalgs which we mentioned in our letter to you of 28 January. There may thus have been some confusion as to the intended recipient of your 11 February letter. We would nonetheless like to take this opportunity to press our point about the importance of sustained political attention towards this issue. In your letter of 27 August 2013 you informed us that you too were concerned to ensure that WASH is accorded "appropriate priority at the political level" and in

your oral evidence of 20 June 2013 you also told us that you – as well as your officials – would look to raise the issue.

We would therefore invite you to confirm that you still intend to raise this at a political level and would be grateful if you could set out any steps you have taken thus far to do so. In your evidence of 20 June 2013 you said that you would seek to put WASH on the agenda of the next Council meeting. We would be grateful for an update on the outcome of your efforts in this respect too.

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

10 March 2014

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 10 March 2014 regarding the European Court of Auditors Report on Development Assistance for Drinking Water Supply and Basic Sanitation in sub-Saharan countries.

I agree with you on the importance of sustained political pressure to deliver improvements in this important area. I will be in Brussels on 25 March and will raise WASH again then with Commissioner Piebalgs and DEVCO Director General (DG) Mr Frutuoso de Melo. We will also follow up through senior official visits later in the year, and where appropriate in our comments on the EU's programme plans for the current budget period (2014 – 2020).

There has not been a Council discussion of WASH since June: the last development Council meeting focussed on the Post-2015 agenda and discussions on specific geographical issues and crises – for example the situation in Syria. We will continue to explore whether there is scope to raise WASH in future Council meetings.

24 March 2014

Letter from the Chairman to Lynne Featherstone MP

The Sub-Committee considered your letter of 24 March on the above subject at its meeting of 8 April.

We welcome your intention to raise WASH in your meeting with Commissioner Piebalgs and DEVCO's Director General, and would be grateful if you could update us on the outcome of your discussions on 25 March.

We note that senior official visits are planned later in the year, and that you will explore whether there is scope to raise WASH in future Council meetings, and would ask you to update us on progress on those two fronts in due course.

We look forward to your response in respect of the former point in the usual ten working days.

9 April 2014

Letter from Lynne Featherstone MP to the Chairman

Thank you for your letter of 9 April in response to mine of 24 March.

It is a timely moment to update you on EU WASH policy because the Commission and European External Action Service are currently programming for the period 2014-2020. In line with the Agenda for Change, country offices are now focussing on 3 or 4 sectors (4 in fragile states). We welcome this shift as investing in key areas should prevent the Commission from spreading programmes too thinly and lead to better results. WASH has been identified as a focal sector in only 5 countries out of 41 so far (Lesotho, Senegal, São Tomé and Príncipe, Djibouti and Togo).

On my recent visit to Brussels, I discussed progress on WASH with Deputy Director Klaus Rudischhauser who has oversight of the EU's WASH policy. DEVCO's honest assessment is that they had launched too many projects without adequate follow up planned. They recognised this was not sustainable and, as a result, have stopped setting up smaller projects and are unlikely to continue the ACP-EU Water Facility. We agreed that the planned DFID-DEVCO bilateral in the summer, to which DEVCO DG Fernando Frutuoso de Melo is invited, would be a good forum to discuss WASH policy issues in further detail. We are also using our oversight of EU programming to ensure that the recommendations of the Court of Auditors Report are being taken into account in programmes where WASH has been selected as a focal sector.

With regard to putting WASH onto a future Council agenda, this has not yet proved possible. The agenda is set by the European External Action Service and Commission. While the official agenda for the next Council meeting has not yet issued, the forthcoming meeting in May is likely to focus on other UK priority areas including the post-2015 development framework and private sector development. Member States tend to be successful in getting discussion points added to the agenda when there is wide Member State support. I will explore whether there would be such support for a WASH discussion at a future Council meeting.

28 April 2014

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

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 Council Decision at its meeting on 23 January 2014. The document had been cleared from scrutiny at the Chairman's sift.

We recall that your Explanatory Memorandum of June 2013 pointed out that ending the mandate of the EU Special Representative for the Middle East Peace Process "would send a contradictory message about the UK and EU's commitment to US-led efforts and to a long-term sustainable peace in the Middle East." Can you please offer us more details on what has driven the policy change to now end the EUSR's mandate and also what might be the practical implications of the change? We have concerns that without a dedicated Special Representative there might be a loss of focus and attention on the issue. What are the new arrangements that will be put into place to ensure that the EU remains represented and active in the process? Will Baroness Ashton take a more personal role in the Middle East Peace Process?

Finally, we would like to hear more about the Quartet and the role that the EU plays in that. We would be grateful if you could provide us with more details about the arrangements in place to coordinate EU policy positions and to ensure accountability.

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

28 January 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 28 January seeking more details about the ending of the mandate of the EU Special Representative (EUSR) to the Middle East Peace Process (MEPP), and the role of the EU as a member of the Quartet.

I understand your concerns about ensuring that the EU remains represented and active in the peace process. On 18 November ministers were consulted on the future of the EUSR to the MEPP and agreed that if there was consensus in the EU to repeal the mandate then we should not stand in the way, as we judge that the roles and responsibilities could be effectively taken forward by DSG Helga Schmid, a senior EEAS official reporting directly to the PSC. Baroness Ashton will continue to be personally involved in the process. The EU representation on the MEPP will be reviewed before May 2014 to ensure it remains effective.

Under the new arrangements the EU will continue to focus closely on supporting US led efforts to reach a peace deal. An Agreed Framework for negotiations is expected next month, which will cover all final status issues. The UK is working closely with EU partners to generate momentum behind the talks, including through offering an unprecedented package of support for both parties in the event of a final status agreement, as laid out in the December FAC Conclusions.

The Quartet's role in the peace process has been to promote economic growth and job creation in the West Bank and the Gaza Strip. This is one of three tracks of the approach set out by Secretary Kerry, alongside political and security tracks, which are to be taken forward in parallel to make the two state solution more possible and sustainable. In August, the Office of the Quartet Representative (OQR) announced the Palestinian Economic Initiative, which is designed to rapidly grow the Palestinian economy from 2014-2016 by focusing on a small number of sectors with a high potential for growth.

The EU is represented by Baroness Ashton at Quartet meetings, who reports back promptly and directly to Member States. Their most recent meeting was on 1 February 2014, where the EU focused on the need to show support for the process, including through the unprecedented package of support. The EU has agreed a clear policy position on the MEPP in numerous sets of Council Conclusions which the EEAS use as the basis of its interactions within international fora, including the Quartet. The EEAS is mandated on these conclusions and is bound to this by treaties. If they were to go beyond this rebate they would be reined in by Member States.

10 February 2014

EUROPEAN VOLUNTARY HUMANITARIAN AID CORPS (EVHAC) (UNNUMBERED)

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

The above proposal was considered by the House of Lords EU External Affairs Sub-Committee at its meeting of 5 December and cleared from scrutiny. We would appreciate a formal update when the final text has been agreed.

We also note that in the annex [not printed] of your Explanatory Memorandum you list this proposal as cleared by the House of Lords in late 2012 but in fact the proposal was retained under scrutiny and we have corresponded with you on various aspects of it. Therefore, we would be grateful for clarification as to why your Explanatory Memorandum suggests otherwise.

We look forward to hearing from you within the standard ten working days.

9 December 2013

EU-RUSSIA SUMMIT BRUSSELS: 28 JANUARY 2014 (UNNUMBERED)

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

I am writing to update you and your Committee on the 32nd EU-Russia Summit. The following is drawn largely from the European External Action Service debriefs in Coreper and the reporting COREU.

President Putin was accompanied by Russian Deputy Prime Minister Shuvalov and Foreign Minister Lavrov. The EU was represented by President Van Rompuy, President Barroso and High Representative Ashton. There were no major surprises or breakthroughs. The summit took place in a restricted format to allow for a focused discussion on the meaning and future direction of this strategic partnership. Both sides reconfirmed their interest to re-engage in New Basic Agreement negotiations and pledged to begin working level discussions to explore key dossiers such as trade and energy. One document was signed: a joint statement on Counter Terrorism Cooperation.

The summit began with a tête-à-tête meeting between President Van Rompuy, President Barroso and President Putin. President Van Rompuy and President Barroso made it clear that recent developments in our relations required clarification because they otherwise risked preventing the relationship from functioning. The EU was disappointed that Russian commitments, including on trade, and in the WTO were not being honoured. Without these, it was difficult to build more trust and to move forward.

Discussion of the Eastern Partnership and the Russian led Customs Union took place along familiar lines. Russia was concerned that Deep and Comprehensive Free Trade Agreements (DCFTAs), in particular the one with Ukraine, would have negative implications for the Russian economy. The EU explained why these concerns were unfounded, emphasising that the Eastern Partnership was not designed against anyone but that on the contrary, trade liberalisation and institutional modernisation would bring benefits for all partners including Russia. The EU underscored that the DCFTA was compatible with the FTAs between ex-CIS countries. Membership in the Customs Union however posed difficulties. The choice had to be left up to the countries concerned, without undue pressure or interference, including with Georgia and the Republic of Moldova later this year.

On Ukraine, the EU underlined that it had been calling on all sides to refrain from violence and to seek a political solution based on respect for fundamental rights. Russia accused the EU of interference, while declaring its full respect for the principles of non-interference and sovereign

choice. Russia said it fully respected Ukraine's independence. It was in our common interest to see our neighbours prosper and develop. We could not afford new dividing lines in Europe. Russia again proposed trilateral consultations with Ukraine, but the EU side explained that bilateral trade negotiations needed to remain bilateral.

Russia also recalled its positions on the EU's third energy package and visa liberalisation without any progress. Trade discussions focused on Russian car recycling fees, which Russia claimed were no longer discriminatory. The EU insisted that so-called compensation measures for Russian producers still meant discriminatory treatment. Russia requested to be informed about trade negotiations between the EU and other partners, such as the US.

Foreign policy cooperation was reviewed in positive terms. Both sides agreed recent cooperation had been helpful, in particular on the Iranian nuclear programme, preparations for the Geneva II conference on Syria, in the Quartet for the Middle East Peace Process, on Africa and more generally. The EU strongly emphasised the need to facilitate access for humanitarian assistance in Syria. Russia suggested closer cooperation in Afghanistan on crisis management and institutionally.

Both sides confirmed their strong commitment to a strategic partnership, but agreed that the relationship could deliver more. It was agreed that informal consultations on a New Basic Agreement would begin in order to clarify whether sufficiently ambitious provisions on trade, investment and energy could be included in the Agreement. If so, the sides aimed to re-launch formal negotiations at the next Summit, which was agreed to take place on 3 June in Sochi, before the G8 Summit.

The reduced format of this summit was important in light of Russian behaviour towards Ukraine and the EU in the run up to the Vilnius Summit. These Summits, while useful for raising important issues, are not delivering the big picture deals we would envisage. At the January Foreign Affairs Council, the Foreign Secretary urged the EU to show more confidence in its relationship with Russia and to take a clear, confident and united approach to EU-Russia relations. The UK will work proactively with the EU and member states to ensure a New Basic Agreement is focussed and ambitious.

I hope you find this readout useful.

20 February 2014

EU SPECIAL REPRESENTATIVES (EUSRS) (UNNUMBERED)

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

Thank you for your letter of 25 November. I am sorry that I have not provided you with an update on discussions on EU Special Representatives (EUSRS) sooner. This is because I was waiting until the long-promised PSC discussion of horizontal issues related to EUSRs had taken place before providing a more comprehensive response for you.

As you are aware, one of the recommendations in Baroness Ashton's review of the European External Action Service was:

"Review EUSR mandates and role, to closer integrate them into EEAS structures (HQ and delegations). Revisit the Council guidelines on the appointment, mandate and financing of EUSRs".

As set out in my explanatory memorandum of 27 August, the Government welcomed this proposal, viewing it as an opportunity to focus on the current very generous terms and conditions.

Since the review, we have engaged with other EU Member States in order to gain support for our objectives of increasing the effectiveness, efficiency and accountability of EUSRs, including emphasis on the importance of national Parliaments being given adequate time to review and revise mandates as circumstances require.

This work was interrupted by an unexpected proposal from the EEAS on 14 October setting out the 'possible modalities and timetable' for a full transfer of EUSRs, their staff and associated resources to the EEAS. This was backed up with a European Parliament proposal to decrease the EUSR line within the CFSP budget by 50% and transfer it to the EEAS. As a result of quick action by British officials in Brussels, with support from a majority of other Member States, consideration of this proposal has now been pushed back until 2015.

As a result of efforts by the UK and like-minded Member States, on 25 November, the EEAS circulated a non-paper setting out further options on EUSRs. This was discussed during the 28

November meeting on horizontal issues, attended by Julian Braithwaite the UK's Ambassador to the Political and Security Committee (PSC). The paper and discussion was predominantly positive from a UK perspective. Ambassador Braithwaite set out our objectives for EUSRs, including the need for a greater focus on efficiency, effectiveness and accountability, as well as a reduction in EUSR grading from AD16 to 14. The subsequent discussion saw support from a number of MS for EUSR grades (and their salaries) to be reconsidered or reduced, as well as appetite for increasing efficiency and effectiveness of the role. The EEAS also agreed that the promised review of the 2007 Council guidelines for EUSRs to take place by spring 2014 – in good time before the next round of EUSR mandate renewals in summer 2014. We are now working to ensure that, a commitment to hold the 2014 review on EU Special Representatives is included in the General Affairs Council Conclusions, on the wider EEAS review process.

The 17 December General Affairs Council will agree to those recommendations in the EEAS review where there is consensus, in particular those short-term recommendations that do not require changes to the EEAS legislative framework. Many of these will improve the overall functioning of the EEAS or are otherwise positive to our interests, including by furthering objectives such as implementation of the Comprehensive Approach to crisis management. We continue to push back against those recommendations that would not be in the UK's interests, as set out in my August EM, and to make the point that all recommendations must be adopted on a resource neutral basis.

You raised the EEAS budget in your letter of 10 October. I completely agree that the EEAS budget should be restrained at a time when Member States have to observe domestic budgetary restraints. Baroness Ashton is well aware of the UK's position. Following the EEAS' request, earlier this year, for a 3.1% increase to its budget for 2014, we are awaiting the final detail following negotiations between the Council and the European Parliament. The Government, along with like-minded Member States, continued to maintain pressure on EU spending throughout annual budget negotiations, and as a result the final agreement on the 2014 budget is almost €9bn lower than the final budget for 2013, or a 6% reduction in EU spending compared to last year. As you may know, in the end the UK, along with Sweden, the Netherlands and Denmark did not support and voted against the final deal.

4 December 2013

EU TRADE DEFENCE INSTRUMENTS (8493/13), PROTECTION AGAINST DUMPED IMPORTS (8495/13)

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 bring you up-to-date with the Modernisation of EU Trade Defence Instruments dossier. Although this was proposed by the Commission in April last year there was little by way of developments in either Council or the European Parliament (EP) during last year. This was largely due to more advanced and therefore higher priority dossiers. The position has however changed since the beginning of 2014 with intensive discussions in both Council and EP. Notwithstanding these efforts it is now clear that agreement on a Modernisation regulation will not be reached until after the EP elections. The non-regulatory parts of the proposed package are progressing separately on the Commission's own responsibility, although the EP wants to incorporate some into the regulation (see below).

The main issues which have emerged in both institutions are the Commission proposals: to eliminate the use of the lesser duty rule (LDR) (imposes measures at a lower level than the dumping/subsidy margin if such lower level is sufficient to remove the injury to the Union industry) in anti-subsidy investigations and cases of structural raw material distortions; to introduce a so-called two-week shipping clause coupled with pre-disclosure to interested parties at the provisional measures stage; and, to provide for reimbursement of duties paid when an expiry review does not result in the renewal of measures.

LESSER DUTY RULE

The UK is, consistent with its longstanding commitment to free trade, opposed to any limitation in the use of the LDR. The LDR ensures that TDI measures remove, without being punitive, the injury caused to EU producers by dumping or subsidy. It helps too to produce an economically balanced outcome which, in turn, helps to reconcile the interests of users and producers thereby increasing the acceptance by business as a whole of the legitimacy of trade defence action. LDR is also one of the

cornerstones of the WTO+ trade defence approach which marks the EU out as one of the most progressive global trade defence regimes. In addition, it is a long-standing principle that Trade Defence Instruments (TDIs) should not be used to promote other EU policies, in this case the policy in respect of access to raw materials. There are alternative and more appropriate avenues through which to tackle access to raw materials including Free Trade Agreements and other bilateral contacts as well as the WTO dispute settlement mechanism.

The UK view is shared by a large number of MS representing a blocking minority. Similarly, an opposing blocking minority of MS have said they will only accept a modernisation package which includes limitation on the use of the LDR.

SHIPPING CLAUSE

The UK supports the concept of a shipping clause but considers the Commission proposal to couple pre-disclosure with a commitment not to introduce measures within two weeks to be ineffective. Importers tell us that shipments from China (against which most TDI measures are directed) take between four and six weeks to arrive. We support the case for a geographically neutral provision based on 'goods on the water' when measures are announced. In contrast, some MS are opposed to any shipping clause while yet others support the Commission proposal.

REIMBURSEMENT

In our view the reimbursement of anti-dumping duties paid during an expiry review which does not result in measures being renewed is right in principle and in fairness. While a significant number of MS agree with us an equally significant number of MS do not.

EP POSITION

Although at this stage the EP has yet to formalise its first reading of this dossier, it has been pressing Council to begin informal trilogue negotiations on the basis of a package of amendments to the Commission proposal which, in our assessment, is heavily protectionist slanted and makes no pretence at balance between the different interests affected by trade defence measures. It also seeks, less controversially, to incorporate into the Regulation some of the non-regulatory parts of the Commission package (e.g. treatment of SMEs, role of the Hearing Officer, some improvements to transparency).

NEXT STEPS

At the time of writing the next steps are not entirely clear, at least at the Council level. At the level of the EP it is clear that, while they may formalise their first reading, no practical steps will happen until after the elections, and then perhaps not until after the summer break. There will therefore be no early consideration of this dossier in a full Council. The UK has suggested to the Greek Presidency that there should be a period of reflection by MS before further consideration in the Council Working Party. The Commission shares this view. We wait, however, to see how the Presidency plans to go forward.

I will keep you informed of any developments and let you know if and when a Council mandate for trilogue is agreed.

25 March 2014

Letter from the Chairman to Lord Livingston of Parkhead

The EU Sub-Committee on External Affairs considered your letter of 25 March on the above proposal at its meeting on 8 April. We support the position you are taking in negotiations on this measure. We note that you intend to keep the Committee informed of the progress of negotiations, and on that basis, are content to clear the proposal from scrutiny.

9 April 2014

EU TRAINING OF MALIAN SECURITY FORCES (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 Council Decision at its meeting on 8 April 2014 and cleared it from scrutiny. The Committee noted they will have an opportunity to scrutinise the proposed mission in more detail when a further Council Decision is deposited for scrutiny in due course.

There is no reason to reply to this letter unless you wish to do so.

9 April 2014

EU-US TRADE DISPUTE OVER BEEF IMPORTS (14369/13, 14372/13)

Letter from the Chairman to George Eustice MP, Parliamentary Under-Secretary of State for Natural Environment, Water and Rural Affairs, Department for Environment, Food and Rural Affairs

Thank you for your letter of 13 November regarding these Council Decisions, responding to our letter of 31 October.

You clarify that only a minority of consignments are subject to physical checks, and that for the most part the EU relies on accompanying documentation to verify that animals have not been treated with hormones. We remain unclear, however, on whether and how physical checks, where they take place, can verify whether or not an animal has been treated with growth-promoting hormones – the question we originally posed.

We would be grateful if you could address this specific point and look forward to your response within the usual 10 working days.

9 December 2013

Letter from George Eustice MP to the Chairman

Thank you for your letter of 9 December, I am sorry you felt my previous letter did not fully address your query.

There are a number of hormones that may be used to promote growth in beef animals. Some are natural, for example testosterone, while others are currently generally considered to be wholly synthetic in origin. The available tests to detect hormones are usually carried out on hair, retinal or urine samples as these samples are better for indicating the presence of synthetic hormones than meat samples. There is currently no reliable, widely available test that allows differentiation between naturally occurring hormones and hormones present due to synthetic hormone treatment.

Regarding controls on imported meat, I would like to clarify the detail given in my previous letter of 13 November. Under existing legislation, any non-EU country wishing to export products of animal origin to the EU has to comply with EU standards on food safety and hygiene before trade is permitted. All consignments of beef for import from the United States of America must be accompanied by documentary evidence, including Veterinary Health Certificates, which declare compliance with the relevant public health standards as follows:

- The USA, as for all non-EU countries wanting to export beef to the EU, must provide an annual residue monitoring plan giving guarantees on how they will monitor the meat for the presence of residues and substances, including hormones listed in Annex I of the Council Directive 96/23/EC; and
- The USA has a specific list of establishments which are approved to export meat to the EU and with this approval is the assurance that the meat exported does not contain hormonal growth promoters.

The Veterinary Health Certificate is certified by official veterinarians in the country of export and this certification is checked for all consignments at import at the Border Inspection Posts.

In my previous letter, I indicated that 20% of all imported consignments from non-EU countries are subject to physical checks. These checks can include laboratory analysis on samples taken to detect

hazards such as foodborne pathogens, pesticides, veterinary medicines residues listed in the UK National Monitoring Plan. The UK Plan includes a provision that bovine meat can be tested for synthetic steroids at the point of import, but sampling is carried out on a risk basis and the presence of synthetic steroids in imported bovine meat is very rarely considered as a risk for which we must test. Additionally, as already said, due to the limitations of the tests available for meat, this is impractical for imports monitoring.

Nationally, the Veterinary Medicines Directorate has historically operated a separate “non-statutory” surveillance programme testing mainly for residues of prohibited substances in imported foodstuffs. In 2003, 2004, 2008 and 2009, testing was carried out for residues of the synthetic growth promoting hormones trenbolone and zeranol. All were negative. The non-statutory sampling programme is reviewed annually so, in light of these negative results to date and in the absence of any intelligence indicating an increased risk of the presence of hormones in imported product, there has been no further testing since 2009. However, this issue will, be assessed again in the New Year when recommendations for the 2014 non-statutory programme will be considered.

The UK’s independent Veterinary Products Committee (VPC) produced a report in 2006 on the risks associated with the use of hormonal substances in food producing animals. This balanced report concluded that the available evidence did not support the view of a European Commission Committee report that the risks associated with the use of hormonal substances in food animals may be greater than previously thought. Nevertheless, the UK continues to enforce and implement Council Directive 96/22/EC, which contains the ban on the use of substances as growth promoters in the EU.

20 December 2013

EU-US TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (UNNUMBERED)

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

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

The constructive discussions of the second negotiation round (11-16 November) bring TTIP back on track following various delays caused by the US government shutdown. Negotiators continued to define the scope and approaches of their respective sides and further position papers were exchanged in both directions on a range of issues.

Officials on both sides are pleased with the similarity in envisioned scope. The overlap reflects many of the UK’s priorities, which were included in my last letter. This is true both for our sectoral priorities, which include automotives, pharmaceuticals and medical technology, and chemicals and for our horizontal priorities such as the treatment of SMEs.

In parliament, the Lords’ inquiry into TTIP continues. I gave evidence on 21 November, including on the different sectoral aspects of TTIP and its potential impact on our relationship with the EU. My session is available to view in full online at

<http://www.parliamentlive.tv/Main/Player.aspx?meetingId=14260> and the transcript should be available shortly.

You may have noted increasing media attention on TTIP in the weeks since my last update. I and my colleagues across government are responding to this with increasing communications to combat misconceptions on the deal (including <http://www.theguardian.com/commentisfree/2013/nov/11/eu-us-trade-deal-transatlantic-trade-and-investment-partnership-democracy>) and raise the profile of its benefits (including http://www.thenorthernecho.co.uk/business/news/10816807.N_E_chemicals_bosses_attend_free_trade_talks/). Our networks in the UK, EU and US are also doing considerable work to proactively raise support for TTIP amongst political, business and public audiences.

As you may be aware, I am retiring in early December and this will be my last letter to you on this matter. My successor, Lord Livingston of Parkhead should write to you with a further update following the third negotiating round.

9 December 2013

**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 fourth round of negotiations took place in Brussels 10-14 March. A wide range of subjects were discussed covering nearly all aspects of the TTIP agenda, including market access, regulations and rules. Steady progress was made in many technical sessions, such as automotive and regulatory coherence, and groundwork was laid for initial services offers. Two well received stakeholder events took place. The first event was an opportunity for 90 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 over 300 stakeholders followed by a Q&A session. Two more negotiating rounds are expected before the summer.

I gave evidence to the Lords' Inquiry into the TTIP on 20 March. My session is available to view in full online at

<http://www.parliamentlive.tv/Main/Player.aspx?meetingId=15149> and the transcript should be available shortly. This was the Committee's final evidence session and they will now produce their report which I understand is likely to be made public after Easter.

The EU-US Summit took place in Brussels on 26 March. In the joint statement and press conference following the summit, President Obama, European Council President Van Rompuy, and European Commission President Barroso reaffirmed their strong support for an ambitious TTIP agreement that provides a more integrated transatlantic marketplace. They emphasised the need for negotiations to be rapid while remaining ambitious in scope, covering: market access, trade rules, and regulatory coherence. The three leaders also confirmed that TTIP would maintain high levels of health, safety, labour and environmental protections. The joint statement has been published, and the press conference is available to view, on the European Council website at <http://www.european-council.europa.eu/eu-us-summit-2014>

A transcript of the press conference is available on the White House website at <http://www.whitehouse.gov/the-press-office/2014/03/26/press-conference-president-obama-european-council-president-van-rompuy-a>

4 April 2014

**FOREIGN AFFAIRS COUNCIL AND DEFENCE FOREIGN AFFAIRS COUNCIL: 14-15
APRIL (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 (FAC) on 14 April which the Secretary of State for Foreign and Commonwealth Affairs attended, and the European Defence Agency Steering Board and the Defence Foreign Affairs Council on 15 April, which the Minister for International Security Strategy attended. Both Councils were chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Baroness Ashton of Upholland, and were held in Luxembourg.

Commissioners Füle (Enlargement) and Oettinger (Energy) were in attendance for some of the discussions at the FAC.

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

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/142228.pdf

FOREIGN AFFAIRS COUNCIL

INTRODUCTION

In her introductory remarks, Baroness Ashton covered the following topics:

- The Middle East Peace Process, which will be a priority for the May Foreign Affairs Council;

- Her visit to Egypt 10 April where she held talks with the acting President Adly Mansour, and Foreign Minister Nabil Fahmy, among others;
- The E3+3 talks with Iran on a comprehensive agreement on Iran's nuclear programme on 8-9 April in Vienna;
- Iraq, where the EU will provide support for the Iraq elections on 30 April through a fact-finding mission and facilitation of an experts team visit;
- The Afghan elections, where the strong voter turnout, including women, dealt a blow to the Taliban;
- The EU-US Summit, which focused on the Transatlantic Trade and Investment Partnership, Ukraine, climate change, cyber and a range of foreign policy issues;
- The visit to Brussels by Chinese President Xi Jinping, which centred on Iran, Syria, Ukraine, non-proliferation and disarmament; and
- The EU-African Union Summit, which brought together over 90 delegations, and resulted in a “Roadmap” for joint cooperation for the period 2014 – 2017.

There was no discussion on any of these items.

BOSNIA AND HERZEGOVINA

Ministers discussed Bosnia and Herzegovina (BiH) over lunch. The Foreign Secretary stressed his commitment to BiH's European perspective, and the UK's strong backing for EU action. He emphasised the importance of broadened EU engagement in the country, reinforced the need for stability, and his strong support for the socio-economic reform initiatives of European Institution

Ministers agreed Conclusions setting out a new phase of EU engagement, making clear that BiH leaders need to start addressing now the legitimate grievances of their citizens which led to the public protests in February, and that the EU would provide support in this process. The Conclusions also reaffirm the EU's unequivocal commitment to BiH's territorial integrity and condemn as entirely “unacceptable” secessionist rhetoric.

SYRIA

Ministers also discussed Syria over lunch. The Foreign Secretary stressed the importance of the Syrian regime to complying fully with UN Security Council Resolution 2139 on humanitarian access. He underlined that the EU should consider new sanctions measures against Syria.

The Council agreed Conclusions, expressing disappointment that the humanitarian situation had not improved and urging the Syrian regime to allow unfettered cross-border and cross-conflict line humanitarian access. The Conclusions reiterate EU support to the political process and commended the National Coalition for its commitment to the Geneva process. They condemn the regime's undermining of the political process and its plans to conduct elections outside the framework of the Geneva Communiqué. Such elections would have no credibility whatsoever.

UKRAINE

Baroness Ashton underlined her concern at recent events in Ukraine. The Foreign Secretary set out the need for firm decisions in response to Russia's latest provocations. He called for rapid work to launch a Common Security and Defence Policy mission to Ukraine focused on police and justice sector reform - my letter to you of 18 April gave further detail on this.

Commissioner Füle stated that preparatory work on broader economic sanctions and Crimea measures was progressing. On support to Ukraine, they were finalising a ‘European Agenda for Reform’ with Kyiv and would adopt a proposal for an EU-Ukraine ‘Open Skies’ Agreement this week. Ukraine had indicated willingness to discuss the impact of signing an Association Agreement with the EU. In addition, Commissioner Oettinger outlined the energy dimensions of the crisis.

Ministers agreed Conclusions condemning the violence in Eastern Ukraine, and urging Russia to repudiate lawless acts. The Council reinforced EU restrictive measures targeting persons responsible for the misappropriation of Ukrainian state funds. It adopted a decision providing up to €1bn in

macro-financial assistance to Ukraine to support its economic stabilisation and its structural reform agenda. It also adopted a regulation granting unilateral trade preferences to Ukraine, providing for the temporary reduction or elimination of customs duties in accordance with a schedule of concessions set out in an annex to the EU-Ukraine association agreement.

The Conclusions also reaffirm support for Georgia and Moldova, while encouraging them to continue implementing reforms. Following the Foreign Affairs Council Baroness Ashton participated in talks on 17 April in Geneva with US Secretary of State Kerry, Ukrainian Foreign Minister Deshchysia and Russian Foreign Minister Lavrov. The Foreign Secretary has welcomed the commitments made in Geneva, which represent a route to de-escalate the situation, and has urged rapid implementation.

CENTRAL AFRICAN REPUBLIC (CAR)

The FAC adopted Conclusions on CAR without discussion, welcoming the adoption of UN Security Council Resolution 2149 authorising a UN Peacekeeping Operation in the Central African Republic (MINUSCA) and the launch of the military operation EUFOR RCA. The Conclusions call for national reconciliation, and reaffirm EU commitment to provide assistance to civilians, the restoration of the rule of law and the protection of human rights in CAR.

OTHER BUSINESS

Ministers agreed without discussion a number of other measures, as set out in the provisional report, including the following:

- The Council extended the EU's restrictive measures against Burma by one year, i.e. until 30 April 2015. The sanctions consist in an arms embargo and an embargo on equipment that may be used for internal repression.
- The Council extended the EU training mission in Mali for two years and refocused its activities. The Council also approved an agreement on the participation of the Swiss Confederation in the European Union training mission in Mali (EUTM Mali).
- The Council established a civilian mission under the Common Security and Defence Policy to assist the internal security forces in Mali (EUCAP Sahel Mali), ensure law and order as well as fight against terrorists, organised crime and cross-border trafficking. The Council also authorised the opening of negotiations with the Republic of Mali for an agreement on the status of this mission.

EUROPEAN DEFENCE AGENCY MINISTERIAL STEERING BOARD

My Hon. Friend the Minister for International Security Strategy (Dr Andrew Murrison) attended the European Defence Agency (EDA) Ministerial Steering Board and Foreign Affairs Council (Defence) on 15 April. The meetings were chaired by the High Representative of the EU for Foreign Affairs and Security Policy, Baroness Ashton. Dr Murrison took the opportunity to underscore our red lines and to counsel against competence creep in EU centred defence.

The EDA Ministerial Steering Board discussion focussed on work to date developing a policy framework for systematic and long-term co-operation. Dr Murrison welcomed the EDA's intent to explore how the framework could support collaboration in smaller groups, but joined Swedish and German counterparts in emphasising that the framework must be voluntary and that Member States must lead its development.

DEFENCE FOREIGN AFFAIRS COUNCIL MARITIME SECURITY

The High Representative, the Commission, and the Greek Presidency of the Council briefed ministers on progress developing an EU Maritime Security Strategy. It will be cross-sectoral, and will avoid introducing new structures, programmes or legislation. Dr Murrison highlighted the need to ensure coherence with NATO and questioned the level of ambition shown in the recent Joint Communication from the High Representative and the Commission: this must not exceed the EU's competence or capability.

CENTRAL AFRICAN REPUBLIC

Ministers received a report on the EU's operation in the Central African Republic from the High Representative, the Chair of the EU Military Committee (Gen Patrick de Rousiers) and the Operation Commander (Maj Gen Philippe Pontès). Initial elements of the Force Headquarters had deployed to Bangui following formal launch of EUFOR RCA on 1 April, but force generation remained incomplete and additional troop contributions were needed to avoid having to re-define the scope of the operation.

The High Representative invited ministers to consider what lessons could be learned from the operation for the EU Battlegroup. Sweden was disappointed the Battlegroup had still not been deployed and proposed ministers should discuss the concept. Dr Murrison pointed out that Battlegroups still had utility as a tool for training and for reform of Member States' armed forces, but agreed further consideration of their purpose could be useful if aligned with a revision to the nature of force elements.

UKRAINE AND EASTERN PARTNERSHIP

The NATO Secretary General (Anders Fogh Rasmussen) joined ministers to discuss Ukraine over lunch. The High Representative provided an update on the EU's support to its Eastern partners, including Ukraine, Georgia and Moldova. Mr Rasmussen highlighted the need for the EU and NATO to work together to respond to the current crisis, while Dr Murrison underlined that there was no military solution to the current situation.

OTHER BUSINESS

Defence ministers agreed without discussion to adopt the Council Decision to extend the EU Training Mission in Mali by two years, to May 2016.

25 April 2014

FOREIGN AFFAIRS COUNCIL AND GENERAL AFFAIRS COUNCIL: 10-11 FEBRUARY 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 10 February which my Right Honourable Friend the Secretary of State for Foreign and Commonwealth Affairs attended, and the General Affairs Council on 11 February 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 Greek Presidency. The meetings were held in Brussels.

Commissioner Füle (Enlargement) was in attendance for some of the discussions at the FAC. Commissioners Šefčovič (Inter-Institutional Relations and Administration) and Borg (Health) 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:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/140973.pdf

INTRODUCTION – EU-RUSSIA SUMMIT

Baroness Ashton said that the Summit had left Russia with a greater understanding of the EU's concerns. Baroness Ashton hoped that there would be strong support for continuing the hard work of developing the relationship with Russia on a strategic level.

EASTERN PARTNERSHIP

Ministers discussed the Eastern Partnership, with a focus on Ukraine. Ministers stressed the need for EU unity towards Ukraine. The Foreign Secretary stressed the need to support Ukraine out of the

crisis. Conclusions were agreed. These expressed deep concern at the situation; re-affirmed the EU's preparedness to respond to any further deterioration on the ground; called on all actors to refrain from violence and disassociate themselves from radical actions; noted the need for the authorities to undertake all necessary measures to respect and protect the fundamental rights of Ukrainian citizens; and urged all sides to seek, through an inclusive dialogue, a democratic solution that would meet the aspirations of the Ukrainian people. The Conclusions also encouraged Ukraine to draw on Council of Europe, OSCE and UN expertise, while noting that the EU would remain actively engaged and maintain a high level presence. The Conclusions reaffirmed the EU's commitment to supporting reform in Ukraine, and to signature of the EU-Ukraine Association Agreement, including a Deep and Comprehensive Free Trade Area, as soon as Ukraine is ready.

BOSNIA AND HERZEGOVINA (BiH)

Baroness Ashton briefed Ministers on recent events in BiH, saying that they were a serious warning of the population's frustration. The Foreign Secretary said events in Bosnia were a wake-up call. The EU should focus time and attention on BiH to help avoid a further deterioration of the situation, and encourage Bosnian leaders to de-escalate tensions. He underlined the importance of EUFOR Althea's role. Commissioner Füle underlined the need for BiH's leaders to solve the Sejdic-Finci constitutional issue to unlock the country's EU path.

SYRIA

Ministers welcomed the resumption of the Geneva II process and hoped that it would generate substantive outcomes. Baroness Ashton urged continued pressure on the Syrian regime and others who could exert influence, principally Russia. The Foreign Secretary welcomed the National Coalition's courage during the first round of Geneva talks. The delegation had acted professionally and was diverse and representative. It was the only side to have made constructive proposals on the formation of a Transitional Governing Body and humanitarian access. The regime had prevented substantial progress, and was trying to starve hundreds of thousands of people into submission and committing other crimes against humanity. The Foreign Secretary reported that the UK was supporting a further humanitarian UN Security Council Resolution. The Foreign Secretary urged strong practical support for Lebanon, in line with the December FAC conclusions, and welcomed EU support to Lebanon and Jordan and their efforts to support a large number of Syrian refugees.

SOUTHERN NEIGHBOURHOOD

On Egypt, Ministers discussed the importance of holding the interim government to account. It was agreed that the EU's key objectives were free and fair elections, judicial reform, and addressing socio-economic and security concerns. The EU also should support efforts to build an inclusive political dialogue, while recognising popular opposition to such a dialogue taking place. Ministers agreed Conclusions which take note of the adoption of the constitution, while deploring the absence of a fully inclusive process before the referendum. These Conclusions condemn all acts of violence, both terrorism and the disproportionate use of force seen during and after the referendum. They express concern about the deteriorating human rights situation, including intimidation of journalists and selective justice against the opposition. In view of recent developments, they recall that no political groups should be excluded or banned as long as they renounce violence and respect democratic principles.

Ministers praised Tunisia's recent achievements as an example for the region and welcomed Baroness Ashton's and the EEAS' role in supporting its transition. Ministers agreed Conclusions congratulating Tunisia on adopting its new constitution. The Conclusions encourage the new technocratic government to continue with the democratic transition, organising elections as soon as possible, and to implement the measures necessary to promote economic recovery and tackle security challenges. They emphasise that, in line with principles of the renewed European Neighbourhood Policy, the EU will enhance its privileged partnership with Tunisia and its support to reforms.

Ministers expressed concern about recent instability and political deadlock in Libya, and expressed hope that the Libyans would make progress on a political settlement before the 6 March Rome Ministerial meeting.

YEMEN

Ministers welcomed the conclusion of the National Dialogue Conference (NDC) in Yemen. The Foreign Secretary said that the NDC conclusion was an important moment and testament to President Hadi's leadership. The EU should now support the next stages of the transition p

rocess, through providing technical support to drafting a new constitution and assisting with electoral preparations. Under UK co-chairmanship, the Friends of Yemen would continue to give momentum to the transition.

CENTRAL AFRICAN REPUBLIC

Ministers discussed the Central African Republic and passed the formal Council Decision to establish a targeted, short-term, EU military operation to address the security and humanitarian situation in the Bangui area. Ministers agreed Conclusions condemning the continuing violence, welcoming the nomination of the transition government and agreeing to establish a short term EU military operation.

AOB

Italy raised its concerns in the case of the two Italian marines arrested in India, following the announcement that they would be charged under anti-piracy/anti-terrorist laws.

OTHER BUSINESS

Ministers agreed without discussion a number of other measures:

- The Council adopted conclusions on the EU's priorities in the UN human rights fora;
- The Council approved a declaration with a view to the Union for the Mediterranean ministerial meeting on Euro-Mediterranean industrial cooperation;
- The Council adopted negotiation directives for a political dialogue and cooperation agreement between the EU and its member states, and the Republic of Cuba;
- The Council endorsed the six-monthly progress report on the implementation of the EU strategy against the proliferation of weapons of mass destruction, covering activities carried out in the second half of 2013;
- The Council amended the EU restrictive measures against Syria so as to allow the release of frozen funds of the Central Bank of Syria and of Syrian state-owned entities in order to make payments on behalf of the Syrian Arab Republic to the Organization for the Prohibition of Chemical Weapons (OPCW) for activities related to the OPCW verification mission and the destruction of Syrian chemical weapons, and in particular to the OPCW Syrian Special Trust Fund;
- The Council adopted the EU position within the EU-Lebanon Association Council with regard to the adoption of a recommendation on the EU-Lebanon action plan;
- The Council endorsed the results of the review of the EU list of persons, groups and entities involved in terrorist acts and updated the corresponding regulation;
- The Council adopted the Council Decision establishing an EU military operation in the Central African Republic (EUFOR RCA). At the same time, the Council authorized the EU High Representative to open negotiations with the Central African Republic for an agreement on the status of that EU military operation;
- The Council authorised the opening of negotiations for a participation agreement between the EU and the Swiss Confederation on its participation in the EU military mission to contribute to the training of the Malian armed forces in Mali;
- The Council adopted the 2014 budget of the European Defence Agency and its staff establishment plan for that year. The budget amounts to € 30.5 million;

- The Council adopted a decision establishing a legal basis for the European Union Institute for Security Studies and repealed the previous basis, i.e. joint action 2001/554/CFSP.

GENERAL AFFAIRS COUNCIL

The 11 February 2014 General Affairs Council (GAC) focused on: the Presidency's work programme; preparation for the March 2014 European Council; and Genetically Modified Maize 1507. Under Any Other Business, the GAC also discussed: the recent Swiss referendum on immigration; the natural disasters in Slovenia and Greece; the Black Sea Sustainable Development Conference; and the EU Strategy Conference for the Adriatic-Ionian Region.

A provisional report of the meeting can be found at:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/genaff/140991.pdf

PRESIDENCY'S PROGRAMME

The Greek Presidency presented its work programme and priorities for its term of office, January to June 2014. (Further details of the Presidency's priorities can be found at:

<http://gr2014.eu/Programme-Greek-Presidency-EU>). This was followed by an exchange of views of the Council.

MARCH 2014 EUROPEAN COUNCIL

The GAC discussed the draft annotated agenda for the European Council meeting to be held on 20 and 21 March, to be attended by the Prime Minister. This European Council is expected to focus on: Industrial Policy, including Growth, Competitiveness and Jobs; the European Semester; and Climate and Energy, including the Commission's 2030 Framework. The European Council is also due to discuss EU-Africa relations, including the EU-Africa Summit on 2 and 3 April 2014.

On Climate and Energy, I stressed the importance of aiming for an ambitious outcome at the March Council, and the need for an outcome that allows member states the flexibility to decarbonise in the most cost effective way. On Industrial Policy, I said that making the EU a more attractive place to invest was the key to competitiveness, through proportionate regulation, research and development, access to finance for SMEs and an ambitious trade agenda.

GENETICALLY MODIFIED MAIZE

The GAC considered a European Commission proposal to authorise the cultivation in the EU of a type of genetically-modified (GM) maize known as 1507. The Commission explained the history of the proposal, the six positive scientific opinions given by the European Food Safety Authority and the relevant Council rules governing such decisions.

The United Kingdom Government takes a science-based approach to GM regulation and therefore supported the proposal, given the evidence in favour of authorisation.

As no agreement was reached by the GAC on this matter, under the agreed rules the Commission should now authorise 1507 maize.

AOB

Under Any Other Business, the GAC discussed: the results of the recent Swiss referendum on immigration; the severe ice storms affecting Slovenia and parts of Croatia; and the volcanic earthquake which hit the Cephalonia region of Greece. The Romania delegation informed the GAC about the Black Sea Sustainable Development Conference, held in Bucharest on 30 January, and the Presidency presented the outcome of the EU Strategy Conference for Adriatic and Ionian Region held in Athens the previous week.

20 February 2014

FOREIGN AFFAIRS COUNCIL AND GENERAL AFFAIRS COUNCIL: 12-13 MAY
(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 (FAC) on 12 May, which the Secretary of State for Foreign and Commonwealth Affairs attended, and the General Affairs Council (GAC) on 13 May, 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 Greek 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. Commissioner Kallas (Mobility and Transport) was 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:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/142563.pdf

INTRODUCTORY REMARKS

Baroness Ashton noted the recent elections in Iraq. Turnout had been better than expected. The challenge would remain securing an inclusive, efficient, government as soon as possible.

Baroness Ashton also raised the issue of the Nigeria abductions, and the activities of Boko Haram, highlighting EU action to date, including a €10 million counter-terrorism package which would also support the criminal justice system. The Foreign Secretary mentioned the UK's bilateral contribution, and emphasised the direct relevance of the forthcoming Preventing Sexual Violence Initiative Summit to this issue. The High Representative confirmed she would attend the Summit and urged others to do so too.

Ministers agreed Conclusions which condemn the abduction of the schoolgirls, call for their immediate release, and call for those responsible to be brought to justice. The Conclusions commit the EU to working to end the culture of impunity for the use of sexual violence in conflict, and underline EU support for the UN Security Council's intention to consider appropriate measures against Boko Haram.

UKRAINE

The OSCE Chairman-in-Office, Swiss President and Foreign Minister Didier Burkhalter, was present for the first part of the FAC's discussion of Ukraine. He briefed the Council on the OSCE's roadmap proposals which aim to help to reverse the current polarisation within Ukrainian society, and noted that the ODIHR mission which would observe the 25 May elections at Ukraine's invitation would be one of their largest missions ever. Ministers emphasised their support of the OSCE's efforts to establish national dialogue round tables, with ownership by the Ukrainian authorities. The Foreign Secretary stressed his support for the OSCE's work and noted that the OSCE's continuing role in providing objective reporting was important.

The FAC agreed Conclusions which call on Russia to uphold Ukraine's unity, sovereignty, independence and territorial integrity, and to support free and fair elections, and which task the European External Action Service to prepare a Crisis Management Concept for a possible civilian CSDP mission focused on security sector reform and rule of law. The Conclusions also endorse the Commission's proposals on the potential consequences of the illegal annexation of Crimea and make clear that the EU will not recognise the 11 May "referenda" in Luhansk and Donetsk, nor any future illegitimate and illegal referenda. Ministers also agreed to expand the sanctions framework to allow the EU to sanction companies for the first time as well as a broader range of individuals. The expanded criteria allow the EU to target expropriated Crimean companies and those Russian companies benefiting from expropriation. As an immediate step the EU adopted sanctions against 13 new individuals and 2 companies. Noting that preparatory work on additional targeted measures is underway, the Conclusions set out that the EU will pay particular attention to all parties' attitude

and behaviour towards the holding of free and fair Presidential elections when deciding about possible future measures.

MIDDLE EAST PEACE PROCESS

Baroness Ashton noted the current impasse in the Middle East Peace Process, and suggested that the EU's immediate focus should be on encouraging a return to talks. U.S. Secretary of State Kerry had praised the EU's role, particularly the offer of Special Privileged Partnerships. Ministers agreed on the need to urge the parties to find common ground and the political strength needed to resume the process.

Ministers agreed Conclusions which urge a resumption of the peace process and call on the Israelis and Palestinians to avoid actions which could undermine peace efforts. The Conclusions recall the EU's longstanding support for Palestinian reconciliation based on the principles of non-violence, commitment to a peaceful negotiated two-state solution and respect for all previous Palestinian commitments, including recognition of Israel.

EUROPEAN NEIGHBOURHOOD POLICY (ENP)

Ministers agreed that the ENP was not as effective as it could be, and needed to be revitalised to take account of events since 2011. The Foreign Secretary supported a review of the ENP so that it maximised the EU's influence in the Neighbourhood. This would require a greater degree of differentiation between partners, targeting support towards those who were committed to closer relations with the EU and were carrying out fundamental reforms. Ministers agreed that differentiation remained key and that inter-institutional cooperation must improve. Revitalising the ENP would be a priority for the next Commission.

OTHER BUSINESS

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

- Adopted the European Union's position for the sixth meeting of the Stabilisation and Association Council with Albania, to take place on 12 May 2012 in Brussels.
- Adopted decisions to adapt the Stabilisation and Association Agreement between the EU and Albania in order to take account of the accession of Croatia to the European Union.
- Agreed to the conclusion of a protocol to the Partnership and Cooperation Agreement with Georgia on a Framework Agreement between the European Union and Georgia on the general principles for the participation of Georgia in Union programmes.
- Adopted the EU position for the 8th meeting of the EU-Algeria Association Council, to be held in Brussels on 13 May 2014.
- Adopted EU human rights guidelines on freedom of expression online and offline.
- Made technical changes to the EU restrictive measures against Somalia so as to take account of UN Security Council resolution 2142 (2014).
- Approved the annual review of EU restrictive measures against Cote d'Ivoire. It updated information in relation to two persons on the list and agreed that there were no more grounds for keeping one person on the list.
- Approved, on behalf of the European Union, the conclusion of the Framework Agreement between the European Union and its member states and the Republic of Korea. This follows the consent given by the European Parliament on 16 April 2014.
- Adopted the position of EU and its member states on the draft declaration of the Union for the 13 May Mediterranean ministerial meeting on environment and climate change.

GENERAL AFFAIRS COUNCIL

The 13 May 2014 General Affairs Council (GAC) focused on preparation for the June 2014 European Council.

A provisional report of the meeting can be found at:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/genaff/142581.pdf

JUNE 2014 EUROPEAN COUNCIL

The GAC discussed the draft annotated agenda for the European Council meeting to be held on 26 and 27 June, to be attended by the Prime Minister. This European Council is expected to focus on: the future Justice and Home Affairs programme; growth and competitiveness, including better regulation; climate and energy, including a Commission report on EU energy security; and institutional changes in 2014. Leaders will also attend a dinner in Ypres on 26 June to commemorate the outbreak of the First World War.

On climate and energy, I said that the Ukraine crisis had demonstrated that a long-term, strategic commitment to EU energy security was now needed. This must be affordable for households and businesses but should be ambitious at lowering carbon emissions.

On growth and competitiveness, I welcomed the inclusion of regulatory fitness (REFIT) on the agenda and pushed for greater commitment, particularly for the SME sector, as this is key to increasing economic growth and employment.

On the future Justice and Home Affairs programme, I stated that free movement to work within the EU was important but its abuse must be tackled, and I supported measures for tackling modern slavery.

16 May 2014

GEORGIA AND MOLDOVA ASSOCIATION AGREEMENTS (7941/14, 7944/14)

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

I am writing to update you on the current position relating to the Georgia and Moldova Association Agreements and to alert you to the likely timetable for signature and provisional application.

Georgia and Moldova initialled Association Agreements (including Deep and Comprehensive Free Trade Areas) with the EU at the Vilnius Eastern Partnership Summit on 28 - 29 November. These Association Agreements will allow both Georgia and Moldova deeper political and economic integration with the EU. Each Agreement is similar to the other, and both are similar to - but not the same as - the Ukraine Agreement that you cleared from scrutiny in November 2013.

Against the backdrop of Russian pressure in the region, we are keen to support efforts to expedite the signature process for Georgia and Moldova, as long as this does not impact on the UK's position on competence issues and the two countries continue with the necessary reforms. The Commission has confirmed its aim to sign the agreements within its current term, i.e. by September 2014. The EEAS has told us that, on current planning, the Commission intends to transmit draft decisions to the Council around 15 April. I will ensure your Committee has sight of these draft decisions, as well as the Government's assessment of the JHA opt-in position, as soon as possible.

I look forward to working with you in 2014 to ensure the proper Parliamentary scrutiny of both the Georgia and Moldova Association Agreements.

15 January 2014

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

Thank you for your reports of 9 April about the Georgia and Moldova Association Agreements. I hope you do not mind me covering both countries in one response on this occasion. I am writing now to provide answers to your questions raised about the political context and the factors that will inform the opt-in decision. I will write again as soon as possible to provide further clarification and analysis on the scope of provisional application. I expect to be able to do this shortly after recess.

In the context of the grave situation in Ukraine and the potential ramifications for Eastern Europe, the signature and provisional application of the Georgia and Moldova Association Agreements (AA) as

soon as possible is a high priority for both governments. We have taken a leading role in supporting this.

Georgia and Moldova have for many years pursued closer integration with the EU (and in Georgia's case, NATO). This has been a key foreign policy priority of both the previous and current governments. We have fully supported this choice and believe that closer political association and greater economic integration into the EU represent the most effective way to promote reform and modernisation in Georgia and Moldova, as well as contributing to stability and conflict resolution. Continued stability in Georgia, Moldova and the wider region is strongly in our interests.

We judge that early signature of these AAs will bolster and provide impetus for essential reform processes in both Georgia and Moldova. More importantly, the Georgian and Moldovan governments have indicated that early signature will provide a means of decreasing pressure from the Russian Federation to abandon their foreign policy choices (the regional consequences I alluded to in my Moldova Explanatory Memorandum). To ignore their wishes could constitute a signal that Russia has a veto in the affairs of third countries. The United Kingdom strongly supports the right of these democratically elected and sovereign governments to make such choices.

The UK and EU are well aware of Russia's views on the AAs. We have made plain to Russia our view that the AAs will help to strengthen prosperity, security and democracy in both countries. This can only be positive for other countries in the region including Russia. I do not believe signature of AAs with Georgia and Moldova, or the reform processes underpinning these agreements, in any way threatens the interests of the Russian Federation.

Both AAs underline the EU's commitment to finding sustainable political settlements to the protracted conflicts in Georgia and Moldova. On Moldova, at least, Russia has been clear that it remains committed to the same goal.

I promised to write again soon with more detail on provisional application. But I should make clear now that, at the time of writing, the EEAS have proposed to apply provisionally Georgia Articles: 3 (aims of political dialogue); 4 (domestic reform); 7 (conflict prevention and crisis management); 8 (regional stability) and 9 (peaceful conflict resolution). On Moldova, the EEAS propose to apply provisionally Articles: 3 (aims of political dialogue); 4 (domestic reform); 7 (conflict prevention and crisis management) and 8 (regional stability). The provisional application of Articles 7, 8 and (on Georgia) 9 would go beyond the arrangements on Ukraine. The Government is considering these proposals very carefully.

In neither case, would we expect signature of the AA to lead to a dramatic change to the EU's existing engagement on the protracted conflicts. On Georgia, the EU works through the EU Special Representative for the South Caucasus (EUSR), the Geneva International Discussions, which the EUSR co-chairs with the UN and OSCE, and the EU Monitoring Mission (EUMM). This cooperation provides both political support and engagement with all parties for the peaceful settlement of the conflicts. The EU also funds a programme of confidence-building measures in the two conflicts.

On Moldova, the Transnistria protracted conflict forms a key strand of existing EU dialogue with Moldova and Russia, and the EU has been an observer to the 5+2 mediation process since 2005. The EU also has a wide-ranging programme of confidence-building measures that help to encourage cooperation between the two banks of the Nistru.

As was the case with the Ukraine Association Agreement, the provisions in Title II of the AA for crisis management and conflict prevention do not represent a defence or military cooperation treaty. They relate to Moldovan and Georgian participation in EU civilian and military crisis management operations.

The EU has signed Framework Participation Agreements (FPAs) with both Georgia (November 2013) and Moldova (December 2012) based on a model agreed by Member States in 2004 and amended in April 2010 to take account of the passage of the Lisbon Treaty. FPAs set out the conditions for third country participation in EU civilian and military crisis management operations. The European Council agrees by unanimity to open a civilian CSDP mission to contributions from third states. The Council also decides which third states should be invited to contribute. The Georgia and Moldova FPAs cleared Parliamentary scrutiny in advance of signature.

Your Committee asked about the factors that will inform the UK's opt-in decision. In line with the Code of Practice on the scrutiny of JHA opt-in and Schengen opt-out decisions I am committed to providing, to the extent possible, the Government's views as to whether or not the UK would opt in and the factors likely to influence the Governments decisions. As set out in my Explanatory Memorandums of 28 March those factors include consideration of whether opting in would be in the national interest to participate as part of the EU, the impact on our domestic judicial system, the

impact on the control of immigration, and the impact on our wider work to ensure the security of the UK. In particular, the Committee will want to take note that the UK has already opted into the two underlying re-admission agreements between the UK and Georgia and Moldova. In such circumstances, where the UK participates in an underlying re-admission agreement, it would be usual for the UK to opt-into the new provision. You will recall that this approach was taken in similar circumstances with the Ukraine Association Agreement last year. However, I would not wish to pre-empt the Government's JHA opt-in decision until the 8-week enhanced scrutiny period has concluded.

I would also like to take this opportunity to confirm that the Government accepts that Mode 4 provisions fall within exclusive EU competence when they are included in an external agreement. Article 207(6) TFEU provides that the exercise of Common Commercial Policy competence shall not 'affect the delimitation of competences between the Union and Member States'. The opt-in is a limitation on the EU's ability to exercise competence in relation to JHA matters as regards the UK and Ireland. Therefore, the opt-in applies where Common Commercial Policy competence is being exercised in respect of matters that would fall within the scope of Title V if they were contained in an internal EU measure. This is the position for Mode 4 measures.

I will write again to your Committee as soon as I am able to provide further clarification on the scope of provisional application.

22 April 2014

Letter from David Lidington MP to the Chairman

I am writing to further update the Committee on the Government's position on the signature, provisional application and conclusion of the Georgia and Moldova Association Agreements (AAs), based on the attached [not printed] draft Council Decisions of 8 April. This letter also includes further clarification on the UK's opt-in decision and provisions relating to Common Foreign and Security Policy (CFSP).

As outlined in my Explanatory Memoranda (EM) of 28 March, the English language text of the AAs circulated to the Council on 19 March were not final. The final version of the texts, following the full legal-linguistic check, were published on 23 April and are attached [not printed]. Please note that both Agreements have been split into a number of Addenda, however the page numbering, content and order remain the same. The documents are now titled 17901/13 + ADD 1 - 8 for Georgia and 17903/13 + ADD 1 - 12 for the Republic of Moldova.

PROVISIONAL APPLICATION

The proposed Council Decision on signature attached to my EM of 28 March included a wide-ranging scope of provisional application. Since then, the Government has analysed the proposed scope and agreed a position. This is consistent with the attached [not printed] revised draft Council Decisions, which can only cover those parts of the Agreement in respect of which the EU is exercising competence, and are subject to further Council negotiations. I am content that we can accept this scope of provisional application, with some important caveats detailed below. The Government will pursue this scope of provisional application in subsequent Council negotiations.

GEORGIA AA

The Government is content for the following Titles/Articles to be applied provisionally: Title I (General Principles), Title II (Political Dialogue and Reform, Cooperation in the field of Foreign and Security Policy) Article 3, 4,7,8,9, Title III (Justice, Freedom and Security) Article 13,16, Title IV (Trade and Trade related matters) except Article 151, to the extent that it concerns criminal enforcement of intellectual property rights, Articles 223 and 224, Title V (Economic Cooperation) Article 285, 291, Title VI (Other Co-operation Policies), Chapter 1 on Transport, except Article 293(a), 293(e) and 294(2)(a) and 294(2)(b), Chapter 2 on energy cooperation, except Article 298 (k), Chapter 3 on environment except Article 302, Chapter 7 on financial services, Chapter 10 on agriculture and rural development, except Article 333(i), Chapter 11 on fisheries and maritime, except Article 338 (b) and 339, Chapter 13 on consumer protection, Chapter 20 on civil society cooperation and Chapter 23 on participation in EU Agencies and Programmes.

The Government is content for the provisional application of a number of standalone articles under Title VI, which enable a specific Annex of the AA. These Articles simply say that Georgia "shall carry

out approximation of its legislation to the EU acts and international instruments referred to [*in the relevant Annex*]”. These articles are: 312, 319, 327, 354 and 357.

The Government agrees to the provisional application of the following sections: Title VII (Financial Cooperation, with anti-fraud provisions), Title VIII (Institutional, General and Final Provisions) except Article 423 (1).

Finally, the Government agrees to the provisional application of Annexes II to XXI, Annexes XXII-XXIII, Annex XXIV-XXXI and XXXIV, as well as Protocols I to IV. These Annexes either relate to those specific issues on Title VI set out in detail above, or the DCFTA in Title V.

MOLDOVA AA

The Government is content for the following Titles/Articles to be applied provisionally: Title I (General Principles), Title II (Political Dialogue and Reform, Cooperation in the field of Foreign and Security Policy) Article 3, 4,7 and 8 Title III (Justice, Freedom and Security) Article 12,15, Title IV (Economic and Other Sector Cooperation) Chapter 5 on consumer protection, Chapter 9, Chapter 12 on agriculture and rural development, except Article 68(h), Chapter 13 on fisheries and maritime, except Article 71, 73 (b), 73 (e) and 74, Chapter 14 on energy cooperation, except Article 77(i), Chapter 15, except Article 81(a), 81(e) and 82(2), Chapter 16 on environment, except Article 87 (with the exception of 87(i)), 88(c), 89(a) and 89(b) to the extent that it concerns soil protection, Chapter 26 on civil society cooperation and Chapter 28 on participation in EU Agencies and Programmes.

The Government is content for the provisional application of a number of standalone articles under Title IV, which enable a specific Annex of the AA. These Articles simply say that Moldova “shall carry out approximation of its legislation to the EU acts and international instruments referred to [*in the relevant Annex*]”. These articles are: Article 30, 37, 46, 57, 97, 102, and 116.

The Government also agrees to the provisional application of: Title V (Trade and Trade related matters) except Article 278, 359 and 360, Title VII (Financial Cooperation, with anti-fraud provisions), Title VIII (Institutional, General and Final Provisions).

Finally, the Government agrees to the provisional application of Annexes II to XIII, Annexes XV to XXXIV, Annex XXXV, Protocols I to IV. These Annexes either relate to those specific issues on Title IV set out in detail above, or the DCFTA in Title V.

POLICY IMPLICATIONS

The Government strongly supports the Georgian and Moldovan requests for early signature of the AAs and has been working towards the European Council’s expedited timeline of June 2014. As set out in my EM of 28 March, the Government has argued that the scope of provisional application of these AAs should extend no further than was the case in the Ukraine AA agreed last autumn.

As I said in my letter of 17 April, there are compelling arguments for provisional application. The process will bring both countries closer to EU norms and enable the implementation of certain provisions in the Agreements early, rather than after ratification which could take several years. Early signature will also bolster political support for reforms and help withstand external pressures that Georgia and Moldova may face as a result of their intention to pursue a path of European integration. On Moldova specifically, these external pressures may be related to or the security of energy supply. The UK strongly supports the right of these democratically elected and sovereign governments to choose their own course.

The Government is only willing to accept provisional application of Article 2, on General Principles, in both AAs alongside a joint declaration by the Council, Commission and High Representative. This declaration would make clear that provisional application of Article 2 is necessary to enable the EU to take appropriate measures in the event partner states fail to fulfil their commitments, and is without prejudice to the division of competences between the Union and the Member States.

COMMON FOREIGN AND SECURITY POLICY CONTENT

In my letter of 17 April I detailed the European External Action Service’s (EEAS) proposed scope of provisional application for Common Foreign and Security Policy (CFSP) articles under Title II of both Agreements. I can now confirm that the Government is able to accept these provisions with the caveat that the exercise of these competences by the EU arises from the specific circumstances applicable in both countries and does not set a precedent for the EU (as opposed to the Member

States) to act where matters may fall within the CFSP. This is with specific reference to Article 7 (conflict prevention and crisis management) and Article 8 (regional stability), and on Georgia, Article 9 (peaceful conflict resolution). Moreover, EU action or dialogue in these areas would not preclude UK action or dialogue. We would seek to set out this position in a joint declaration by the Council, the Commission, and the High Representative.

Your Committee requested further clarification on activities relating to domestic reform and the fight against terrorism. The EU already undertakes extensive political dialogue in the areas covered by the articles under Title II of both Agreements, under the auspices of the existing Partnership Cooperation Agreements with both countries. Such dialogue covers issues such as domestic reform and the EU reports and makes recommendations annually to both Moldova and Georgia. Provisional application has not been proposed for articles on the fight against terrorism.

JUSTICE AND HOME AFFAIRS CONTENT AND ENHANCED SCRUTINY

I promised to write again with more detail on the UK's opt-in decision. The Government has assessed the relevant provisions in both Agreements and will seek citation of the relevant Title V legal bases for the articles concerning readmission: Article 15 in respect of Moldova and Article 16 in respect of Georgia. As is standard practice for EU-Third Country agreements, the Government is seeking agreement with Member States to split the Council Decisions in order to separate JHA obligations from non-JHA obligations. However, we judge that securing a Title V legal base and splitting of the Decision will be difficult. The Government may therefore need to assert the application of the opt-in in the absence of a Title V legal base. However, as set out in the Code of Practice on Scrutiny of Opt-In and Schengen Opt-Out Decisions in Justice and Home Affairs Matters, I would not wish to pre-empt the Government's JHA opt-in decision until the 8-week enhanced scrutiny period has concluded.

Article 12 in the Georgia AA and Article 13 in the Moldova AA concern the rule of law. The Government judges the content of the articles does not constitute JHA obligations. We are therefore seeking to ensure that the joint declaration between the Council, Commission and High Representative makes clear that the EU is not exercising competence pursuant to Title V TFEU by the provisional application of these Articles.

Finally, as set out in my letter of 17 April, the 8 week period for the Committees to opine on the JHA opt-in in relation to these AAs concludes on 29 May. In the context of the grave situation in Ukraine and the potential ramifications for other countries in the region, the signature, provisional application and conclusion of the AAs as soon as possible is a high priority for the UK Government, as well as the governments of Moldova and Georgia. Given the importance attached to these agreements, I would be grateful if the Committee could consider expediting their consideration of these AAs.

2 May 2014

GREEK PRESIDENCY OF THE EU: PRIORITIES FOR DEFENCE ISSUES OVER THE NEXT SIX MONTHS (UNNUMBERED)

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

I am writing to give you an overview of the Greek Presidency's priorities in the area of Defence over the next six months. I hope that this will help you to plan scrutiny of dossiers that may be considered by the Foreign Affairs Council (in Defence Ministers formation) during this period. The Greek Presidency plans to host the following Defence Ministers' meetings:

20-21 February – Informal Meeting of Defence Ministers in Athens (TBC)

15 April – FAC (Defence) in Brussels

The Greek Presidency will follow the 19-20 December European Council on Defence and it is expected to take forward priority areas that the Council will have agreed on. The Greeks have announced that, in particular, they will strive to define the EU Maritime Security Strategy, with the aim of it being adopted at the June 2014 European Council.

The Greeks will also focus on sustainability in defence, for which they aim to present a holistic concept during their Presidency. This will include work on a full analysis of links between climate

change and defence, life cycles of equipment, and sustainable generation of power for defence purposes.

In the area of capability development, the Greeks intend to focus on cyber security, particularly protection of critical infrastructure, and on the use of space.

Finally, the Greeks will want to take forward work on Defence Industry, focussing on the role of SMEs in the chain of supply of armed forces, and how to ensure they can better access the market.

Should your committee be interested in further information on the priorities for this Presidency I and my officials would be happy to assist with an informal briefing session on topics you wish to hear more about.

3 January 2014

Letter from David Lidington MP to the Chairman

In line with our commitment to proper scrutiny of EU business, the Government is committed to keeping Parliament informed on issues relating to each EU Presidency programme.

I attach a summary of the Greek priorities for their Presidency of the Council of the European Union, as well as a 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 Greek Government's Presidency role will be shaped largely by the inherited agenda.

Just like with the Lithuanian Presidency before, there is a good degree of convergence between the UK's EU priorities and those of the Greek Presidency, primarily in policies aimed at promoting growth, employment and economic stabilisation, particularly of the Eurozone. The Greek Government is seeking a strengthened Pact for Growth and Employment and intends to champion initiatives on youth unemployment and SME financing. They want to press forward on Banking Union and wider economic governance measures. There is an increased interest in UK priorities aimed at advancing growth and competitiveness, such as the widening of the Single Market, Better Regulation and the Transatlantic Trade and Investment Partnership negotiations and we look forward to working closely with Greece on these.

Greece will focus on tackling migration. This will work across all aspects of migration policy, particularly sea routes, and will include action in countries of origin, which the UK strongly supports. They have also indicated a cross-cutting maritime theme, informing their priorities and EU policy, with a comprehensive agenda ranging across security of maritime borders, 'blue development', tourism, fisheries and energy issues. We are supportive of this. Within the maritime agenda, Greece has also indicated an interest in taking forward implementation of the UN Convention on the Law of the Sea, especially Exclusive Economic Zones in the

Mediterranean. Naturally, any such initiatives will need to take into account the interests of other coastal states in the region.

Greece will seek to take forward Enlargement with the countries in the Western Balkans and hopes to make progress in negotiations with Serbia, Albania and Turkey in particular.

The European Parliament elections in May fall during the Greek Presidency, with the selection of the new European Commission to follow.

I will of course be happy to provide your Committee with more information on any of these issues. Should your committee be interested in further information on the priorities for this Presidency I and my officials would be happy to assist with an informal briefing session on topics you may be interested to hear more about.

7 January 2014

INVESTOR-STATE DISPUTE SETTLEMENT TRIBUNALS (11868/12)

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

Thank you for your letter of 5 November in respect of the above proposal, which was considered by the EU Sub-Committee on External Affairs on 5 December.

As the result of a delay in our internal processes, your 5 November letter had not reached the Sub-Committee when you gave oral evidence on 21 November. We are therefore surprised that you did not refer to it when we raised the matter on that occasion.

You indicate that the questions we posed in our letter of 26 November 2012 sparked further analysis by your officials, which has taken some time. We must assume, however, that the legal questions which we posed had been answered to your satisfaction by the time the UK agreed to a text at Coreper on 9 October 2013, and therefore we would have expected you to respond to us before that date. As the Trade Foreign Affairs Council took note on 18 October of the position agreed at Coreper on 9 October, we consider that a scrutiny override has occurred, as a "political agreement" appears to have been struck (cf. Art. 3 (b) of the Scrutiny Reserve Resolution).

With respect to the substance of your response, we are concerned that you appear to be willing to support a proposal that affects portfolio investment yet cites a legal base which you concede does not provide competence for portfolio investment.

We recognise that you are seeking language in the text of the Regulation that would make clear that it covers only areas falling under EU competence. We are not clear, however, on whether that language would cover areas of shared competence with the member states as well as areas of exclusive member state competence, and would be grateful for clarification on this point. We will also be interested to hear whether the language you have secured survives the trilogue process, and would be grateful for an update in due course.

Finally, we would ask you to address the questions we posed in our letter of 31 October about the stance the UK took in Council on declassification of the TTIP mandate, and to clarify what effect, if any, adoption of this Regulation would have on any ISDS mechanism included in the investment chapter of a prospective TTIP agreement.

We look forward to your response within the standard ten working days, pending which we will continue to hold the proposal under scrutiny.

9 December 2013

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

Thank you for your letter of 9 December in response to the letter sent by Lord Green concerning the above Regulation on 5 November. I am responding as Lord Green's successor.

With regard to your question about scrutiny, I do not believe that "political agreement" has yet been reached on this Regulation. Discussion at Coreper was the preparation of the informal trilogue and therefore no scrutiny override has occurred. At present the text is still being discussed at the informal trilogue stage. Discussions under the Lithuanian Presidency have been unable to reach a compromise between the Council and the Parliament and so responsibility will now pass to the Greek Presidency. I shall keep you informed on progress.

To answer your questions regarding competence and legal base, I refer you to Lord Green's letter sent on 5 November, which provides a more detailed response. The UK Government view is that, while the EU has exclusive competence over foreign direct investment and that much competence over portfolio investment is shared, there are parts of portfolio investment which fall within Member State competence. As a result any competence over portfolio investment that the EU has under Article 63 of the Treaty on the Functioning of the European Union is not exclusive.

My view is therefore the EU has competence to make a regulation to dealing with investor-state claims relating to foreign direct investment, whether the claim concerns an act of the EU or of a Member State, and dealing also with claims relating to portfolio investment, except for claims concerning an act of a Member State regarding areas of portfolio investment that fall under Member State competence.

The language that my officials are seeking to secure in the Regulation would, in my view, exclude from the scope of the Regulation any claims which relate to Member State actions either in areas of unexercised shared competence, or in areas of exclusive Member State competence. I believe that any obligations arising from future EU and Member State investment protection agreements with third countries that relate to areas of unexercised shared competence are entered into by Member States in their own right, not by the EU. It therefore follows that investor-state claims alleging a breach of these obligations should fall outside the scope of this Regulation.

With regard to the legal base it remains the UK Government view that the predominant purpose of the regulation is to deal with claims relating to foreign direct investment. To the extent that aspects of portfolio investment fall within EU competence, it is not necessary to cite a separate legal base given that the predominant purpose of the Regulation falls within Article 207. This approach accords with standard UK practice and I do not believe that it is necessary to add any further legal basis.

With regard to the Transatlantic Trade and Investment Partnership (TTIP) mandate, you asked in your letter of 31 October what position the UK took at the recent EU Trade Council on the issue of publication of the EU's TTIP mandate. As Lord Green said in his letter of 9 December to Lord Tugendhat, declassification of the mandate was raised briefly during the lunchtime discussion at the Council. The UK did not intervene. On the basis of the interventions that were made, the Presidency concluded that there was not the consensus required to agree to declassify. The Government is content with this result.

On the question of the implications for the TTIP, this Regulation will concern how the EU and Member States manage investor-state claims arising out of any future agreement that the EU is a party to, which includes an investor-state dispute settlement mechanism. The Regulation concerns the internal process concerning the allocation of responsibility within the EU and therefore will not directly affect the TTIP agreement.

Negotiations on the TTIP are ongoing as to whether the agreement will include an investor-state dispute settlement mechanism. If this is included the Regulation will help to ensure that any investor-state claims against the EU or its Member States can be dealt with effectively. For this reason I believe it is important that the Regulation enters into force before the conclusion of negotiations on the TTIP, as appears likely. Any provisions in the TTIP on investor-state dispute settlement will have to be consistent with the terms of the Regulation. I do not believe that such consistency will be difficult to achieve.

I look forward to working with you and your Committee.

23 December 2013

Letter from the Chairman to Lord Livingston of Parkhead

Thank you for your letter of 23 December 2013 in respect of the above proposal, which was considered by the EU Sub-Committee on External Affairs on 16 January.

We recognise that trilogue negotiations with the European Parliament on this proposal are still underway, but as the Scrutiny Reserve Resolution refers to agreement given in the Council, and we understand that the Trade Foreign Affairs Council on 18 October noted the agreed position reached in Coreper on 9 October, we consider that political agreement in the Council has been reached, and thus that a scrutiny override has occurred.

We are grateful to you for providing further detail on the language that your officials are seeking to secure in the Regulation in order to exclude from its scope claims that relate to areas of unexercised shared competence and exclusive Member State competence. We would invite you to clarify whether your view on the legal effect of the language sought is shared by others, including the European Commission.

We welcome your intention to keep us updated on the progress of trilogue negotiations on this proposal under the Greek Presidency, and look forward to your response to our query above.

20 January 2014

Letter from Lord Livingston of Parkhead to the Chairman

Thank you for your letter of 20 January regarding the Regulation for Financial Responsibility (the Regulation) for Investor-State Dispute Settlement (ISDS) cases. I intended to provide the Committee with an earlier response, but, owing to the volume of discussions which have been taking place in Brussels in recent weeks, I judged that it would be more helpful to the Committee to respond when I was in a position to provide a clear picture of the state of the negotiations. I will continue to keep you informed of developments with the Regulation and please be aware that if progress continues to be made in trilogues and in the Council, I would expect to write again shortly regarding scrutiny clearance of the Regulation.

With regard to your question about a scrutiny override at the Trade Council in October, I understand that we have a different interpretation of what happened at that meeting and whether under the terms of the Scrutiny Reserve Resolution an agreement was reached, thereby resulting in a

scrutiny override. However, I recognise that your Committee should have been updated ahead of the Council regarding the direction of travel in negotiations. At the Council, Ministers noted the mandate agreed by Coreper for trilogue negotiations and considered it to be a good basis for negotiations with the European Parliament. In the light of that I accept that this case will be recorded as an override by the Committee.

Competence over investment has been a topic of some debate in the negotiations and it is clear that the legal effect of the language sought by my officials in order to exclude from the Regulation's scope claims that relate to areas of unexercised shared competence and exclusive Member State competence will be interpreted differently by the UK and the Commission. Member States broadly support the UK position on competence. The European Commission does not agree and believes that all of investment is an exclusive EU competence. Given the divergence in opinion this issue may well eventually be decided by a court ruling. Our objective in light of this is to ensure that the language in this and other legal instruments does not prejudice any future judgment.

In terms of the trilogues on the Regulation, progress until recently has been slow, in part due to disagreements between the Council and Parliament, but also within the Council on certain aspects. While the competence issue has been touched upon in negotiations this has not been central to the debate, with the main discussions focusing on the mechanism to allocate responsibility for the defence and financial liability of cases. The latest trilogue (20 March) has crystallised the position, with the Parliament appearing to indicate its willingness to accept our and most other Member States' concerns regarding clarification of the role of the Commission in the process. If the Parliament does firmly move on this, it would represent a significant shift in its previous position. Talks are continuing and it should become apparent within the next week or so whether there is a realistic chance of the Regulation being agreed in this Parliamentary term.

I look forward to informing you of further progress

1 April 2014

Letter from Lord Livingston of Parkhead to the Chairman

Further to my letter of 1 April I am writing with another update regarding the Regulation for Financial Responsibility for Investor-State Dispute Settlement (ISDS) cases. In my previous letter I indicated that I hoped further progress would be made in trilogue towards an agreement on this regulation. This has indeed been the case. A text was agreed in a trilogue discussion on 2 April and was approved by the European Parliament on 16 April. I expect that the Greek Presidency will now seek approval of the Council at the upcoming Foreign Affairs Council Trade on 8 May. I am therefore writing to ask that the Committee release the regulation from scrutiny and to explain why I hope to support the adoption of the regulation as a good outcome for the UK.

At the launch of negotiations in 2012 the then responsible Minister Norman Lamb wrote to you to explain the rationale behind the regulation. A framework is required for the allocation of responsibility for any Investor-State Dispute Settlement (ISDS) cases that might be brought against the Union or one or more Member States under an EU-wide investment protection agreement. The advanced stage of negotiations with Singapore and Canada, as well as the ongoing negotiations with the US, China and various other countries mean that the regulation needs to be agreed so that the ISDS provisions contained in any of these agreements can operate smoothly, with regard to responsibility for legal defence and payment of compensation to investors.

In his letter Norman Lamb explained that the main principle underpinning the Government's approach to the negotiation would be that the party responsible for the treatment of which the investor has complained should be financially responsible for the dispute settlement. This principle has been adhered to throughout the negotiations. Much of the discussion in the trilogues centred on issues where responsibility for treatment is split between the EU and a Member State. In such cases it is agreed that cooperation and the sharing of information between the Member State and the Commission is required.

Under the agreement reached the Member States will represent themselves where the treatment in question is afforded by a Member State, unless they specifically request that the Commission defend the case. The Commission had sought to include powers that would enable them to assume responsibility for the defence of cases that were similar to other cases likely to be brought or that concerned unsettled issues of law. It felt that under the Common Commercial Policy it was important to ensure consistency of defence. Member States, including the UK, successfully argued that these powers would be too broad and that Member States must retain the ability to defend ISDS cases brought against treatment they had made and which they were liable for. It was agreed that the only

circumstance where the Commission can assume responsibility for such a case is where a similar treatment is being challenged in a related claim against the Union in the World Trade Organisation and where it has been established the ISDS claim concerns the same specific legal issue. Such a decision would be subject to a comitology examination procedure and I anticipate that such a situation where the Commission could take over a case will be very rare.

Further discussion centred on situations where a Member State is defending a case and where it is fully liable. It was agreed in such circumstances the Member State will keep the Commission informed of progress and share relevant documentation. The Commission, in its original proposal, sought powers to direct a Member State to adopt a certain position in its defence, while Member States felt that these powers would go too far. In the negotiations my officials secured language that makes clear the Commission is not empowered to direct a Member State but can provide analysis in an advisory capacity.

Furthermore, we successfully argued that a comitology procedure should be included as a safeguard surrounding certain important decisions. In cases where the Union and the Member State are both partially liable the Union can only decide to act as respondent pursuant to the advisory procedure. In cases where the Union is defendant and either the Member State is partially liable or, in a narrowly defined range of situations, fully liable, any decision by the Union to settle a case will be subject to the examination procedure.

Finally, I believe we have achieved our objective on the question of competence. This is a complicated issue, in relation to investment, largely arising from the distinction between Foreign Direct Investment (where the Union has exclusive competence) and Portfolio Investment (where the nature of competence is disputed between Member States and the Commission). These negotiations have not been intended to resolve this issue. The intention of ourselves and other Member States has been to ensure that the regulation does not prejudice our position on competence in the matter, and it is my opinion that this has been achieved.

Our first objective was to secure the same language as agreed for the previous such regulation on this issue, regulation 11953/10, known as the 'Grandfathering Regulation'. This has been achieved with text stating the regulation is "without prejudice to the division of competences established by the Treaty on the Functioning of the European Union". In addition we have secured additional text stating "the adoption and application of this Regulation shall not affect the delimitation of competences established by the Treaties, including in relation to the treatment afforded by the Member States or the Union and challenged by a claimant in investor-to-state dispute settlement conducted pursuant to an agreement."

To provide further clarity a joint declaration of the Parliament, Council and Commission was agreed in the trilogue, stating that "The adoption and application of this regulation is without prejudice to the division of competence established by the Treaties and shall not be interpreted as an exercise of shared competence by the Union in areas where the Union's competence has not been exercised".

I hope you will agree that this robust approach on competence in combination with the clear position taken on the right of Member States to defend treatments made by a Member State represents a satisfactory outcome. As such I hope the Committee will agree to remove its scrutiny reserve to enable the UK to support the adoption of the regulation at the forthcoming Foreign Affairs Council on 8 May 2014.

23 April 2014

Letter from the Chairman to Lord Livingston of Parkhead

Thank you for your letters of 1 April and 23 April in respect of the above proposal, which were considered by the EU Sub-Committee on External Affairs at their meeting on 8 May.

We are grateful to you for updating us on the outcome of trilogue negotiations with the European Parliament, but regret that the delay of almost one year in responding to the queries we raised about this proposal in our letter to your predecessor of November 2012 prevented us from effectively scrutinising the proposal until the final stage of negotiations.

We note that the extent of EU competence over investment matters is effectively a matter of dispute between the European Commission and member states including the UK. We invite you to elaborate on your assessment in your 1 April letter that the divergence in opinion on this issue "may well eventually be decided by a court ruling", and will in the meantime continue to hold the proposal under scrutiny.

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

13 May 2014

Letter from Lord Livingston of Parkhead to the Chairman

Thank you for your letter of 13 May in response to my request to remove the scrutiny reserve on this regulation in order to enable the UK to support its adoption.

The dispute between the European Commission and the UK and other Member States regarding the extent of EU competence over investment has been on-going ever since the Treaty of Lisbon was agreed in 2009. My predecessors and I have submitted further details of the precise nature of this dispute in our earlier letters dated 8 November (2012), 5 November (2013), 23 December (2013). The position of both the EU Member States and the European Commission is entrenched and considering the likelihood that neither party will change their position then ultimately a dispute leading to a European Court of Justice ruling appears the most likely outcome. As investment is such a broad area of policy there are many issues that could potentially trigger such a case. For example, it is possible that a case could be triggered by whether a Treaty containing investment provisions should be mixed or signed by the EU only. Another possibility is if internal legislation is proposed which the EU does not have competence to make.

With this dispute in mind it was important that the Regulation on Financial Responsibility does not prejudice any future court ruling and in my opinion we have achieved a good outcome in this regard. It was also important that Member States and the Commission did not allow the dispute on competence to distract from the importance of agreeing this regulation promptly. The pragmatic approach to financial responsibility in the regulation is beneficial for Member States and the Commission. With the on-going negotiation of EU Free Trade Agreements and Investment Agreements that include investment protection mechanisms it is essential to have such an instrument in force to clearly establish responsibility for potential Investor-State Dispute Settlement cases.

I am pleased to report that the regulation was approved by the European Parliament in April. Due to the speed of the resolution of the negotiations there are a few minor inconsistencies in the text and the text is currently undergoing the legal scrub and translation process. A complete text will be re-submitted to the new European Parliament at the earliest session in July. This process is largely a formality and I anticipate that the final text will be submitted to Council very soon afterwards. I hope that the UK will be able to support the adoption of this regulation.

I look forward to your response.

3 June 2014

MINERALS ORIGINATING IN CONFLICT-AFFECTED AND HIGH-RISK AREAS: AN INTEGRATED EU APPROACH (7704/14, 7701/14)

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 proposal at its meeting on 8 May and decided to retain it under scrutiny.

The Committee would like further information on the extent to which the Government supports the proposals contained in the Joint Communication, including but not limited to procurement. We also invite you to explain exactly how the self-certification scheme would become binding on participating companies, and whether there will be an option for companies to withdraw from the scheme.

We look forward to your response in due course.

13 May 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 13 May regarding scrutiny of the above documents. I am writing to give you the further information and explanation requested by the Committee.

You asked me to provide further information on the extent to which the Government supports the proposals contained in the Joint Communication.

The OECD due diligence guidance for responsible supply chains of minerals from conflict-affected and high-risk areas is one of the most important tools available to help companies to manage their supply chains in ways which minimise the risks of harm. We support measures which will broaden the uptake of the guidance.

We welcome the continuing use of the Instrument for Stability to develop capacity among organisations along mineral supply chains, which will help make due diligence by companies easier and more effective. We would also welcome the use of existing funds to support good practice among smelters and refiners. Existing schemes such as the Conflict-Free Smelter Programme should be included.

We are interested in the Commission's undertaking to explore funding to support implementation of the guidance by SMEs, and will seek further information on what this is likely to involve. Some companies have told us that they also welcome this proposal.

In principle we support the use of public procurement policies to promote good practice where they are directly relevant to what is being procured and where there is a clear case that doing so will achieve better value for money. In this case the focus will be on electronic and communications equipment. We will need to understand better how the Commission will use performance clauses to this end. The Commission also intends to issue guidance to Member States in relation to their own public procurement, which we will consider when it is circulated.

The Government is committed to encouraging relevant UK companies to implement the OECD due diligence guidance. We will, like the Commission, continue to use our own networks and relationships with business to do so. At an international level we support the inclusion of responsible sourcing in dialogue between the EU and producer countries, and with countries which are home to smelters and refiners. This furthers our aim to see widespread uptake of the due diligence guidance.

You also asked me to explain how the self-certification scheme would become binding on participating companies, and whether there would be an option for companies to withdraw from the scheme. The scheme would be binding on volunteer companies in that once they had committed, they would be expected to fulfil all the requirements set out in the regulation. As currently drafted, the regulation authorises the Competent Authority of a Member State to remove the 'Responsible Importer' status, by issuing a notice of non-recognition. There is currently no provision for companies to withdraw from the scheme, and although it is difficult to imagine a situation where a company would wish to do so, we will ask the Commission to address this omission.

We and other Member States are seeking greater clarity from the Commission on how oversight of this scheme by Member States will work in practice.

22 May 2014

9TH MINISTERIAL CONFERENCE OF THE WORLD TRADE ORGANIZATION (WTO)

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

I am writing to give you advance warning that the Government will need to override Parliamentary Scrutiny on the above proposed Council Decision. The document was deposited on 14 November 2013 with a deadline of 28 November for submission of the Explanatory Memorandum. Although the Explanatory Memorandum was submitted on the 26 November, I realise that this will not give you sufficient time to clear the document in time for us to support the Proposal at the Trade Foreign Affairs Council on 3 December.

We had hoped to submit the document for scrutiny earlier but substantive discussions on the legal base of the Decision, in particular in relation to the Monitoring Mechanism, are still ongoing in Brussels. We had thought that these would be settled quickly and that it would be better to reflect the outcome of the discussions and draft the Explanatory Memorandum in the light of this rather than submit an EM and then have to clarify almost immediately, which could have caused confusion. In the event, discussions are still ongoing.

The three components of the Proposal are in line with UK policy: the Monitoring Mechanism is consistent with the UK's policy of helping developing and Least Developed Countries to take advantage of the economic opportunities offered by commitments in the WTO; the Proposal on Tariff Rate Quota administration is in line with our general stance on favouring trade liberalisation;

and the inclusion of the proposal on food security does not compromise our policy position and its Inclusion in the 'Bali Package' is essential for acceptance of the package in its entirety.

In view of the overall benefits particularly from an agreement on trade facilitation it is essential that the UK supports the Commission's position to agree to join the consensus at the Ministerial Conference.

For these reasons we consider a scrutiny override is necessary to allow us to support the proposal at the Trade Foreign Affairs Council on 3 December. I hope that you will accept my explanation and apologies.

2 December 2013

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

The EU Sub-Committee for External Affairs considered the above proposal at its meeting of 12 December. The scrutiny reserve has already been lifted at my sift on 10 December.

In view of our ongoing inquiry into the Transatlantic Trade and Investment Partnership (TTIP), we note with interest the deal struck at Bali last week and ask that you write to the Committee with more details of the final negotiated outcome, including with regard to the particular issues which the EU had a stance on as a result of the above Council Decision, but also setting out possible consequences and implications for TTIP.

We look forward to your response within the standard ten working days (not including the recess).

17 December 2013

Letter from Lord Livingston of Parkhead to the Chairman

Thank you for your letter of 17 December asking about the Bali package and its relationship to the Transatlantic Trade and Investment Partnership.

I wrote to you on 18th December to provide you with a copy of the Post-Council Written Ministerial Statement covering details of the WTO Conference, but I am following up now with further details and to respond to your question.

At the 9th WTO Ministerial Conference (3-6 December 2013) a package of deliverables was agreed regarding some elements of the Doha Development Agenda (DDA). The package contains agreements in three areas: Trade Facilitation, agriculture, and issues related to development.

The core of the package is the trade facilitation agreement. This is a very practical suite of improvements to border procedures. It will have a big impact in freeing up trade and will add £70 billion annually to the global economy. It includes measures such as:

- A requirement to publish fees and charges online thereby reducing uncertainty for business and removing time spent 'haggling' at the border;
- A fast track for perishable goods to reduce the amount of food that rots in trucks and ships waiting to cross borders;
- Pre-arrival processing of documents before goods arrive at the border to reduce time spent at the border;
- Allowing for the acceptance of copies of documents rather than originals;
and
- Requiring an appeals procedure to give confidence to traders.

It also strongly recommends other best practice measures such as effective risk management procedures and a 'single window' to coordinate multiple government agencies and departments if they are involved in clearing a single shipment.

These are just a small number of the range of measures in the text. The effect will be to significantly reduce the cost, time and number of documents required to cross borders.

The agriculture and development pillars are also important although not economically substantial for the UK. The Tariff Rate Quota Administration agreement will improve the access exporters have to lower tariffs. The compromise on the Food Security proposal allows India to continue its programme of agricultural subsidy for food security objectives with safeguards to ensure that it won't cause

detriment to surrounding countries and a work programme. Within the development pillar the Monitoring Mechanism will ensure better oversight of the transitional provisions for developing countries in WTO agreements. Another important outcome was guidance on Rules of Origin which will increase LDC access to developed markets. These and other development measures not only have important development outcomes but, in the long term, will open new markets for trade and investment for UK business. The Council Decision on the Bali negotiation addressed the Tariff Rate Quota, the Food Security Proposal and the Monitoring Mechanism mentioned above.

I would be happy to provide the Committee with further details on any particular aspect of the agreement reached in Bali.

Regarding your question about the relationship to TTIP, overall, we see that a commitment to opening up trade and investment through TTIP complements our broader liberalisation agenda, including pushing for multilateral agreement at the World Trade Organisation. A comprehensive and forward leaning global rules pillar could prove an ideal template for a future deal in the WTO. Specifically regarding trade facilitation, naturally as a bilateral agreement TTIP will build on the WTO agreements, including the new trade facilitation text. I hope that we will be able to take some of the trade facilitation measures agreed in Bali, some of which were agreed on a best endeavours basis, and not only demonstrate that they can be implemented, but also demonstrate the benefits to business, particularly small and medium sized businesses, from implementation.

24 January 2014

NEGOTIATING MANDATE ON EU-GEORGIA AND EU-ALBANIA SECURITY OF CLASSIFIED INFORMATION (UNNUMBERED)

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

I am writing to let your Committee know that on 7 January, Council Decisions were agreed authorising the opening of negotiations for the conclusion of Agreements between the European Union and Georgia and Albania on the security of classified information. We expect the necessary processes for signature and conclusion of these Agreements will begin later this year, at which point we will submit the draft Council Decisions for Parliamentary scrutiny.

Each Agreement will establish a legal framework for the exchange of classified information. The EU has just opened negotiations on a similar agreement with Australia.

The UK remains a strong supporter of Georgia's progression towards closer ties with the EU and strengthened ties in the Eastern Neighbourhood region. We hope Georgia will sign an Association Agreement with Deep and Comprehensive Free Trade Area later this year, and it has strong policy aims to move closer to EU norms and standards.

The UK is a strong supporter of Albania's bid to join the EU, based on a strict but fair approach to the associated conditionality. In June 2014 the European Council will consider whether to grant candidate status to Albania, based on a further report by the Commission on the fight against organised crime and corruption.

22 January 2014

PARTICIPATION OF KOSOVO IN UNION PROGRAMMES (8775/13, 8776/13)

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

In my letter to you of 13 October I committed to write to you on the progress of the above documents. You may have seen my subsequent chain of correspondence with the Commons Committee on a number of issues that arose in light of the regrettable situation of us missing the JHA opt-in window.

To update you on the latest situation with these documents, while we oppose the proposed legal base of Article 212 TFEU, this issue is the subject of a political negotiation and we will need to consider how best to protect our overall balance of interests. If we do not secure the citation of Title V legal bases, which appears the most likely outcome given the position of other Member States, we will not

seek to frustrate the progress of the measures. Instead we will register our objections and also take the position that we regard these as being 'partial JHA measures' where we do not consider ourselves bound as part of the EU by the JHA element of the measures. This is not an ideal outcome, but is one that I believe best protects our overall interests both in seeing Kosovo proceed on its EU path and in protecting the UK's JHA position.

I hope this helps clarify the situation and that with this update on the outcome of negotiations you will be able to clear the item from scrutiny. As explained in my recent letter to you about the EULEX Strategic Review, it is currently a sensitive time for making progress on Kosovo issues. The delays caused by the correspondence on JHA issues following the unfortunate circumstances over the opt-in have allowed the EU institutions to argue opportunistically that the UK is slow to engage. This is a specious argument, but one I would now like to extinguish as soon as possible.

3 April 2014

Letter from the Chairman to David Lidington MP

The Sub-Committee on External Affairs considered your letter of 3 April on the above documents at their meeting on 8 May.

Although we are content in principle to accede to your request that we lift scrutiny on the proposals, we believe that your approach to the JHA element of the measures requires further analysis. For that reason, and on an exceptional basis, we have passed the two documents to the Sub-Committee on Home Affairs, Health and Education of the European Union Select Committee for further scrutiny.

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

13 May 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 14 May clearing the Decisions on the Kosovo Framework Agreement from scrutiny. I am grateful for your understanding on the need to make progress in Brussels while we discuss our domestic difference of opinion regarding the Title V JHA opt-in.

You asked whether it would be legally sustainable to take the view that we are not bound by the JHA elements of the Decision as we have not opted in. I understand the source of your concern, but as set out in my letter of 3 April, the Government's view is that the JHA opt-in is triggered by JHA content rather than by the citation of a Title V legal base. As such, we believe our JHA opt-in has been triggered by the partial ancillary JHA content in this Agreement and since we have not opted in, we would not be bound by it.

I do not believe that this gives rise to a situation of legal uncertainty. Protocol 21 states that the UK would not be bound by any "provision of any international agreement concluded by the Union pursuant to that Title [Title V]" unless we opt in. The UK has made clear to the EU institutions that we object to the use of Article 212 as the sole legal base for this Decision. The UK's position is that the signature and conclusion of these Decisions is an exercise of the EU's external competence in relation to the various sectoral policies pursued by the underlying programmes and therefore the substantive legal bases for the underlying programmes should have been cited. We will continue to argue our position and we will submit a minute statement at the point of adoption should this issue not be resolved in accordance with our position. On that basis, I am satisfied that there is sufficient clarity in our position that we are not bound by the JHA elements of these measures.

Regarding your point about recent Court of Justice of the European Union case law, each of these cases has involved determining that other non-JHA legal bases were more appropriate, and did not make a judgment on the applicability or not of Protocol 21. As such these judgments do not alter the Government's position as set out above.

I hope this explanation makes the Government position on this specific issue clear, while recognising that we may continue to have a difference of view regarding the application of the UK's JHA opt in under Protocol 21.

29 May 2014

PARTICIPATION OF THE REPUBLIC OF AZERBAIJAN IN UNION PROGRAMMES
(17920/13, 17917/13)

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

I am writing to update you on the progress of the above documents.

We continue to make clear to the Commission and to Member States that we do not accept the use of Art 212 TFEU as an appropriate sole legal basis for the proposed Council Decisions, for the reasons I set out in my Explanatory Memorandum of 16 January. Discussions on the above documents have opened in the Working Party of Eastern Europe and Central Asia (COEST). The Commission has proposed Article 212 TFEU as the sole substantive legal base for the Council decisions. Article 212 says that the Union shall “carry out economic, financial and technical cooperation measures ... with third countries”. They have proposed the Article 212 legal base on the basis that they consider that because the original programmes envisaged future extension to third countries, the decision to extend is a technical exercise covered by Article 212 alone and not a fresh exercise of the powers used to establish the programmes. In addition, they do not consider that the opt-in applies. The government’s position is that the Council decisions should cite the legal bases of each of the programmes that are being extended to Azerbaijan because the extension of those programmes is a fresh exercise of the powers used to establish the programmes. In addition, where the programmes have JHA content, the Council decisions should cite the appropriate JHA legal bases. We are continuing to argue our case.

The Commission also remains unwilling to provide a precise list of Union programmes which Azerbaijan will be able to participate in. Instead pointing out that the generic list should suffice given each ENP country would need its own agreement in order to participate in a programme. A complete list of current programmes in which Azerbaijan may participate is necessary in order to assess which legal bases need to be cited in the Council Decisions authorising the signature and conclusion of the FA.

Whilst I am aware that your Committee has cleared the above documents from scrutiny, in the spirit of the Code of Practice, I would also like to bring to the Committee’s attention that the final language versions of the two Council Decisions were published on 7 February. This means that the eight week period for the Committee to opine on the Government opt-in ends on 4 April. I apologise for not being able to inform you sooner of this development. The UK has called on the Commission, the Presidency, and the Council to delay adoption of these Decisions to allow sufficient time for enhanced scrutiny to occur. However, as these Decisions are to be adopted by QMV, there is no guarantee that we will be able to prevent adoption of the Decisions before the eight week period finishes on 4 April. We will continue to push for this delay and update you on the progress of these negotiations.

27 February 2014

PAVING THE WAY FOR AN EU DEVELOPMENT AND COOPERATION RESULTS
FRAMEWORK (17709/13)

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

The House of Commons European Scrutiny Committee considered the above EM on 26 February 2014. The Committee requested further information on what progress has been made, what elements I am seeking to have included in the Council Conclusions and how any remaining deficiencies will be put right.

Since we deposited the EM, the Staff Working Document (SWD) on the results framework has been discussed twice in the Council and draft Council Conclusions have been prepared. These conclusions are due to be agreed in the Foreign Affairs Council on 19 May. The results framework is also being discussed further in the Results Experts Group.

The SWD set out the Commission’s progress towards creating a results framework and presented their preliminary approach, leaving some issues unresolved. Our EM explained that we are strongly supportive of the Commission’s drive to implement a results framework, and that we think the direction set out in the SWD is generally very positive. However we had four key issues of concern:

— The question of using an attribution approach, rather than contribution

- The frequency with which project level results should be collected and reported
- Whether targets should be set within the results framework
- Whether or not sex-disaggregated data would be calculated.

The Commission prefers to report results as “country results supported,” (i.e. contribution). This is in line with the approach to results reporting taken by other multilaterals reviewed by the Commission. Of the organisations reviewed, only DFID uses attribution. The Commission are still in discussion about the merits of each approach. For this reason we have not been able to secure agreement at this stage to an attribution approach in the draft Council Conclusions.

We are seeking to ensure that the Commission will use an attribution approach wherever possible (e.g. in projects financed purely by the Commission, where results can be directly linked to EU support) and we continue to argue for this through the Results Experts Group. If the Commission do use a contribution approach, they have committed to report the percentage of financial inputs provided by the EU. This would allow an attribution calculation to be carried out at a high level.

On reporting results annually, project by project, the Commission are concerned about the feasibility of reporting annually on projects given the size of the challenge – i.e. the need to report across over 100 delegations. We would like to see annual project-level reporting introduced, but understand the genuine constraints the Commission faces in doing so. At this stage I judge that the key point is to keep the door open to annual reporting, even if we cannot achieve it in the initial roll out of the results framework. The Council Conclusions do not specifically rule out annual reporting and the Commission will look again at the issue following the pilot reporting phase between May and July this year. Subject to the lessons of this pilot phase, and in the long term in any case, we will continue to push the Commission to report results annually, project by project.

The Commission has also not ruled out the possibility of setting targets in the long term, but have noted that systems and tools for data collection and measurement at both Delegation and Headquarters levels will need to be improved. Accordingly, the Council Conclusions commit the Commission to further examine the option of setting targets for indicators.

The Commission has confirmed that the results framework will have indicators disaggregated by sex wherever possible and this is reflected in the Council Conclusions.

The Commission will be carrying out a pilot of the reporting process between May and July this year and will use the lessons learned to finalise the results framework, in another Staff Working Document, by the end of the year. We will closely follow this process and continue to advocate for the changes we want to see. It is important to recognise that the Commission has made a lot of progress since committing to produce a results framework in May 2012. This commitment came about as a result of lobbying by DFID and the European Parliament. Their proposed framework makes use of best practice elsewhere, particularly the frameworks of the Asian Development Bank, the World Bank and DFID. It is also important to recognise that the Commission, in putting in place the proposed results framework, is moving far in advance of most EU member states. As a result, other member states have been content for the Commission to take a gradual approach.

We will continue to take the opportunities, in the Council, in the Results Experts Working Group, and other discussions, to push the Commission to be as ambitious as possible. The Commission is expected to review the results framework regularly, particularly in light of a new set of goals, indicators and targets agreed in the post-2105 framework and this will provide us with a particular opportunity to improve the framework in the future.

9 April 2014

PRE COUNCIL BRIEFING INVITATION (UNNUMBERED)

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

Thank you for your letter of 12 February inviting me to speak with the Committee on 18 March and 24 June, ahead of the scheduled European Council meetings in those months. Unfortunately I am unavailable on both of the proposed dates, as I expect to be in Brussels for the General Affairs Councils.

I do however enclose [not printed] a copy of the draft agenda for the March European Council for your Committee's information. I hope your Committee finds this useful, and I would be more than happy for my officials to provide the draft agenda before future European Councils.

I will continue to update your Committee on the outcomes of European Councils and am more than happy to do this by way of correspondence.

I look forward to continued dialogue with the Committee and await with interest the upcoming report on the role of national parliaments.

21 February 2014

PROGRESS IN ROMANIA UNDER THE CO-OPERATION AND VERIFICATION MECHANISM (6371/12)

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

Thank you for your letter of 27 March on behalf of the House of Lords' European Union Committee about the latest EU Cooperation and Verification Mechanism (CVM) reports on Romania and Bulgaria.

Let me reassure you that the government has been active in encouraging progress towards the CVM benchmarks in both Bulgaria and Romania. However, you are right to identify the lack of progress in Bulgaria as of concern. Efforts are clearly needed to tackle the influence of organised crime, combat corruption (high level and otherwise) and to reform the judicial system. To recognise this, the UK pushed for European Council conclusions which recognised this lack of progress. The British Embassy in Sofia also worked with likeminded EU Member States to identify particular areas of concern which were shared with the EU Commission during their drafting of the CVM reports. The British Ambassador in Sofia regularly meets senior figures such as the Justice and Interior Ministers and the Prosecutor General to discuss judicial reform. We also hosted a visit by the Head of Bulgaria's Asset Forfeiture Commission and Deputy Prosecutor General to London, to share UK best practice.

In Romania, the story is more positive. We have seen evidence of progress towards the CVM benchmarks – particularly the strong track record being developed on tackling high level corruption. It is important this positive momentum is maintained and we will monitor developments closely. The government has supported the Romanian National Anti-Corruption Office with advice on capacity building and expertise in asset recovery and uniformity of sentencing. We are also helping fund a Romanian-led South East European anti-corruption conference which aims to boost the capacity and coordination on tackling corruption across the region.

Regarding the role of the EU in monitoring and developing CVM progress, we are pleased the EU has now filled both of its in-country CVM monitor positions. We were active in lobbying for the maintenance of funding and staffing of these positions as we believe they give increased credibility and quality to CVM monitoring.

With regard to future enlargement, we warmly welcomed the House of Lords European Union Committee's report last year on the future of EU enlargement, which raised a wide range of important points. The report continues to provide a much-valued contribution to our policy formulation. I very much agree with your focus on the correct application of conditionality during the enlargement process. Lessons have been learned from previous enlargements, and - for example - negotiating frameworks with current enlargement countries have been strengthened to require clear track records of reform before accession. Indeed, Croatia came through the toughest negotiations yet.

The Government has reaffirmed its strong support for EU enlargement on the basis of strict-but-fair conditionality, with countries advancing on merit as they meet the conditions. We welcomed the outcome of the December General Affairs Council, whose conclusions recognised the importance of addressing the "fundamentals first" in the enlargement process, particularly in the fields of the rule of law and – increasingly – economic governance. The UK has been consistently clear that candidate countries need to demonstrate robust track records tackling organised crime and corruption in particular. We also welcome the Commission's new focus on economic governance prior to future accessions.

9 April 2014

PROVIDING MACRO-FINANCIAL ASSISTANCE TO UKRAINE (7907/14)

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 documents at its meeting of 8 April. They had already been cleared at the Chairman's sif.

Regarding the provision of MFA funds to Ukraine, can you clarify whether the funds will be front-loaded until the terms of the IMF package are agreed? When would you estimate that the first tranche would be disbursed and to what purpose? At your appearance before the EU Select Committee (8 April) you informed the Committee that the IMF is likely to want to reform gas subsidies. As you will be aware, reducing gas subsidies, especially among the large industries in eastern Ukraine would require political capital and possibly investment decisions that could be difficult for the Kyiv administration to deliver. Can you comment on these challenges? What further key reforms will the EU be pushing for and what can be realistically achieved in the current economic, political and security context?

Turning to the proposal for a Regulation on the reduction or elimination of customs duties on goods originating in Ukraine, is there any prospect that this measure would be extended beyond November 2014? If so, does the Commission intend to undertake an impact assessment?

Finally, for the purposes of EU agreements with Ukraine either economic or political, can you explain in more detail what legal and institutional provisions will be put in place regarding the territory of the Crimea?

I look forward to your response in due course.

9 April 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 9 April requesting further information about the above Council Decision and Regulation on Ukraine.

Your first query concerns the provision of Macro Financial Assistance (MFA). There will be no disbursements of MFA prior to the agreement of an International Monetary Fund (IMF) programme. The proposal to provide assistance was adopted on 14 April at the meeting of the Foreign Affairs Council. I therefore expect, subject to the Memorandum of Understanding being agreed between Ukraine and the Commission and an IMF agreement being in place, that the first tranche will be available around the same time as the initial disbursement of the IMF financing.

You further ask about the reform of fossil fuel subsidies, which the UK supports for a number of reasons, including promoting fiscal sustainability, reducing emissions, improving market responsiveness, and enhancing energy security. Many countries' experiences show that achieving lasting subsidy reform is complex and must be managed with care, but there are examples of the successful phasing-out of subsidies. As I pointed out in my evidence session of 8 April, the conditions the IMF attaches require the Ukrainian authorities to adopt a strong and comprehensive package of upfront reforms on gas tariffs, fiscal consolidation, exchange rate flexibility in monetary policy, governance, and the financial sector.

With regard to the reforms required under an IMF programme, it is for the IMF and the Ukrainian authorities to negotiate and agree on the substantive conditions attached to their Stand-By Arrangement. The IMF mission to Kyiv highlighted the following areas as priorities for reform: monetary and exchange rate policies; the financial sector; fiscal policies; the energy sector; governance, transparency, and the business climate. The Council Decision outlines structural reforms and sound public finances as key areas of focus under the EU's Macro Financial Assistance.

You also raise the EU's autonomous trade preferences (ATPs) for Ukraine: these measures are scheduled to run until 1 November 2014. This is a short term measure and it is hoped that the EU-Ukraine Deep and Comprehensive Free Trade Agreement (DCFTA) will be signed before the ATPs run out in November. However, as EU Trade Commissioner Karel De Gucht has stated, there is some potential for these ATPs to be prolonged if the DCFTA fails to be signed by this point.

In terms of an impact assessment, the European Commission has already commissioned two studies on the EU-Ukraine DCFTA. As the ATPs frontload the tariff reductions and eliminations foreseen in the full DCFTA; we do not currently consider it necessary to commission a further impact assessment. In so far as Crimea-originating goods are labelled as Ukrainian these products would

technically be able to benefit from the ATPs. Following the recent annexation of Crimea, the institutional arrangements to facilitate this process are challenging. For this reason the European Commission has stated that the unilateral trade preferences granted to Ukraine will be “applicable to products from Ukraine over which the government exercises effective control”. HMRC will implement these measures once the finalised details are available.

Finally, you ask what legal and institutional provisions will be put in place regarding the territory of Crimea for the purposes of EU agreements with Ukraine, either political or economic. UNGA Resolution 68/262, which the UK supported, called on all States, international organisations and specialised agencies not to recognise any alteration of the status of the Autonomous Republic of Crimea. In terms of the EU’s response, the European Council Conclusions from 20/21 March state:

The European Union remains committed to uphold the sovereignty and territorial integrity of Ukraine. The European Council does not recognise the illegal referendum in Crimea, which is in clear violation of the Ukrainian Constitution. It strongly condemns the illegal annexation of Crimea and Sevastopol to the Russian Federation and will not recognise it. The European Council asks 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.

The UK is working closely with EU and G7 partners to deliver a united and robust response, and the Commission’s report will be a key component of this.

25 April 2014

Letter from the Chairman to David Lidington MP

Thank you for your letter of 25 April 2014 on the above proposals which the EU Sub-Committee on External Affairs considered at its meeting of 8 May.

With reference to the proposal for a Regulation of the European Parliament and of the Council on the reduction or elimination of customs duties on goods originating in Ukraine, could you elaborate on how the EU and the UK will distinguish in practice between goods originating in Ukraine and goods originating in parts of Ukraine over which the Kyiv administration does not exercise effective control?

The Committee has been following the EU’s response to unfolding events in Ukraine closely and very much appreciate your regular updates. Once the details are available, could you please provide us with further information on the substantive conditions of the IMF programme particularly in the energy sector, the “structural reforms” that the EU will focus on and how you assess the capacity of the Kyiv administration to deliver reforms, including in the energy sector, in these challenging practical and political conditions? Finally, in due course, please can you update us on the Commission’s evaluation of the “legal consequences of the annexation of Crimea”?

I look forward to your response in due course.

13 May 2014

Letter from David Lidington MP to the Chairman

Thank you for your letter of 13 May requesting further information about macro-financial assistance to Ukraine, and customs issues relating to Ukraine. This reply draws on information from HMRC, HMT and BIS as well as the FCO.

To take your points in order, you asked how the UK will distinguish in practice between goods originating in Ukraine and goods originating in parts of Ukraine over which the Ukrainian Government does not exercise effective control. Her Majesty’s Revenue and Customs (HMRC) has set up customs risk profiles to target and prevent erroneous claims to preference under either the new arrangements or the existing Generalised Scheme of Preferences (GSP) scheme for goods originating in Crimea. The aim is to identify any claims for preferential tariff treatment for goods originating in Crimea and accompanied by a preference certificate endorsed with stamps of the Crimean Chamber of Commerce, its branches or the Chamber of Commerce of Sevastopol. Such certificates are not included in the new arrangements and are also no longer valid for GSP with effect from 23rd April 2014 (the Ukrainian Government notified the EU of the discontinuation of powers of the Crimean Chamber of Commerce and have formally requested the invalidation of any origin certificate issued by the Chamber from 23 April onwards). The profiles are targeting Crimean postcodes which in turn facilitate manual checks at the HMRC National Clearance Hub, who have been provided with

specimens of the excluded stamps. The risk profiles are being monitored and will be adjusted to include additional postcodes as circumstances require.

You asked for further information on the substantive conditions of the IMF programme, particularly in the energy sector, the structural reforms that the EU will focus on and our assessment of the capacity of the Ukrainian Government to deliver reforms, particularly in the energy sector. The IMF agreed its Stand By Arrangement for Ukraine on 30 April, worth \$17 billion. The Fund set out a series of prior actions for the Ukrainian Government to adopt ahead of the first disbursement on 6 May, worth \$3.2 billion. These included reforms to the heavily subsidised energy sector to eliminate the losses run up by Naftogaz, the state owned gas company.

Other prior actions already undertaken included passing a supplementary Budget, floating the exchange rate, launching diagnostic studies on the banking sector, and introducing procurement laws to improve governance. Further detail on the full conditionality and performance criteria for the programme can be found in the published IMF programme document available at <http://www.imf.org/external/pubs/ft/scr/2014/cr14106.pdf>.

The Fund will monitor implementation of reforms, including in the energy sector, on an ongoing basis.

The conditionality under the EU's €1.6 billion Macro Financial Assistance will complement the IMF programme focusing on public finance management and anti-corruption in particular on public procurement, trade and taxation, energy and financial sector reforms. I would like to take this opportunity to update the committee on the status of these loans. The first €100 million disbursement of the old programme worth €610 million was released on the 20 May. The Memorandum of Understanding for the additional €1 billion has now been agreed and signed by representatives of both the EU and Ukraine. The Ukrainian Parliament is expected to ratify this agreement in the coming days, with the first disbursement of €500 million due soon thereafter.

Looking at the energy sector in more detail, reform of the gas sector and the removal of costly subsidies are essential to improving Ukraine energy. This reform will need to be based on a comprehensive strategy that includes the development of indigenous energy resources, energy efficiency, market reform, transparency and good governance. Energy sector reform will be key to creating long term political and economic stability. The UK stands ready to support energy reform in Ukraine, both bilaterally and through multilateral organisations.

The scale of change required means that most of the support for energy reform will come from International Financial Institutions (IFI) such as the IMF, EBRD, World Bank and the EU. The financial support from the broader international community amounts to US\$27 billion over the next two years. Of this, assistance from the IMF has been agreed at \$17 billion. The IMF programme will clearly be the core instrument for stabilising Ukraine's economy and putting it on a successful transition path

This funding will come with a set of strict conditions. The Ukrainian Government is expected to adopt a "strong and comprehensive package" of up front energy reforms. IMF funded energy reforms will focus on reducing this sector's fiscal drag, while attracting new investment and enhancing efficiency. The programme will also focus on improving the transparency of Naftogaz's accounts and restructuring of the company to reduce its costs and raise efficiency. In addition Authorities aim to eliminate losses from gas subsidies by 2018 through "sustained" gas and heating price increase over several years: household gas prices have already risen by 50% from 1 May. It is expected that this will be followed by additional price rises to meet the requirement for full cost recovery required by the IMF.

The Commission is looking at how best EU assistance can assist Ukraine in the energy sphere. The focus is likely to be on increasing connectivity to the EU gas network to allow reverse flow. The Commission is also facilitating tripartite discussions on gas supply from Russia to Ukraine. It is vital to the long term economic stability of Ukraine that there is a quick, sustainable and satisfactory long term resolution to the Russia / Ukraine gas debt and price dispute issue.

In terms of the ability of the Ukrainian Government to implement reform, clearly the present situation in Ukraine creates additional challenges. The IMF has stated that the Ukrainian Government has shown "unprecedented resolve" to implant reforms; however, much will depend on the result of the 25 May elections. I would note that Ukraine has already adopted the set of prior actions which the IMF programme required ahead of disbursement, and the Ukrainian Government has already delivered on a number of reform areas. Ukraine must continue to comply with the conditions set out under the IMF and EU agreements in order to receive further disbursements of assistance, with the first review due in July.

On the energy side, there needs to be sustained political will for what will be very painful reform given the domestic unpopularity of rising gas prices. The IMF has asked the main Presidential candidates to publically support the programme, some have but others have not. There are considerable economic and political uncertainties in the months ahead that could mean that the Ukrainian economy fails to recover. Weaker than expected GDP growth could challenge the Ukrainian Government's commitment to the reforms required to secure continued IMF funding.

Finally, you asked for an update on the Commission's evaluation of the legal consequences of Russia's annexation of Crimea. 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.

22 May 2014

REDUCTION AND ELIMINATION OF CUSTOMS DUTIES ON GOODS ORIGINATING IN UKRAINE (7649/14)

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 documents at its meeting of 8 April. They had already been cleared at the Chairman's sift.

Regarding the provision of MFA funds to Ukraine, can you clarify whether the funds will be front-loaded until the terms of the IMF package are agreed? When would you estimate that the first tranche would be disbursed and to what purpose? At your appearance before the EU Select Committee (8 April) you informed the Committee that the IMF is likely to want to reform gas subsidies. As you will be aware, reducing gas subsidies, especially among the large industries in eastern Ukraine would require political capital and possibly investment decisions that could be difficult for the Kyiv administration to deliver. Can you comment on these challenges? What further key reforms will the EU be pushing for and what can be realistically achieved in the current economic, political and security context?

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I look forward to your response in due course.

9 April 2014

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Your first query concerns the provision of Macro Financial Assistance (MFA). There will be no disbursements of MFA prior to the agreement of an International Monetary Fund (IMF) programme. The proposal to provide assistance was adopted on 14 April at the meeting of the Foreign Affairs Council. I therefore expect, subject to the Memorandum of Understanding being agreed between Ukraine and the Commission and an IMF agreement being in place, that the first tranche will be available around the same time as the initial disbursement of the IMF financing.

You further ask about the reform of fossil fuel subsidies, which the UK supports for a number of reasons, including promoting fiscal sustainability, reducing emissions, improving market responsiveness, and enhancing energy security. Many countries' experiences show that achieving lasting subsidy reform is complex and must be managed with care, but there are examples of the successful phasing-out of subsidies. As I pointed out in my evidence session of 8 April, the conditions the IMF attaches require the Ukrainian authorities to adopt a strong and comprehensive package of

upfront reforms on gas tariffs, fiscal consolidation, exchange rate flexibility in monetary policy, governance, and the financial sector.

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25 April 2014

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Looking at the energy sector in more detail, reform of the gas sector and the removal of costly subsidies are essential to improving Ukraine energy. This reform will need to be based on a comprehensive strategy that includes the development of indigenous energy resources, energy efficiency, market reform, transparency and good governance. Energy sector reform will be key to creating long term political and economic stability. The UK stands ready to support energy reform in Ukraine, both bilaterally and through multilateral organisations.

The scale of change required means that most of the support for energy reform will come from International Financial Institutions (IFI) such as the IMF, EBRD, World Bank and the EU. The financial support from the broader international community amounts to US\$27 billion over the next two years. Of this, assistance from the IMF has been agreed at \$17 billion. The IMF programme will clearly be the core instrument for stabilising Ukraine's economy and putting it on a successful transition path

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several years: household gas prices have already risen by 50% from 1 May. It is expected that this will be followed by additional price rises to meet the requirement for full cost recovery required by the IMF.

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On the energy side, there needs to be sustained political will for what will be very painful reform given the domestic unpopularity of rising gas prices. The IMF has asked the main Presidential candidates to publically support the programme, some have but others have not. There are considerable economic and political uncertainties in the months ahead that could mean that the Ukrainian economy fails to recover. Weaker than expected GDP growth could challenge the Ukrainian Government’s commitment to the reforms required to secure continued IMF funding.

Finally, you asked for an update on the Commission’s evaluation of the legal consequences of Russia’s annexation of Crimea. 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.

22 May 2014

REPUBLIC OF CUBA (UNNUMBERED)

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

I am writing to inform you that the EU has proposed upgrading and formalising its relations with Cuba, which have been governed since 1996 by a Common Position. The Council of the European Union adopted Negotiating Directives for a Political Dialogue and Cooperation Agreement (PDCA) between the European Union and its Member States, on the one part and, the Republic of Cuba, on the other part.

It is intended that the PDCA will codify and develop the existing political, cooperation and trade relations between the parties. It will be aimed at strengthening the EU-Cuba relationship and providing a robust framework for constructive dialogue and improved co-operation. The proposed PDCA with Cuba will cover a comprehensive range of issues, including political dialogue and cooperation in the field of foreign and security policy; sustainable development; human rights; civil society; trade; and justice and home affairs. It will help to promote EU interests and values in Cuba including the promotion of human rights and fundamental freedoms.

Whilst the negotiating mandate for the PDCA does not fall within the documents listed for formal scrutiny under the Scrutiny Reserve Resolution, I will continue to update the Committee as negotiations continue and when a Council Decision for signature and conclusion of the PDCA issues, I will submit the document for your Committee’s consideration.

11 March 2014

RESTRICTIVE MEASURES AGAINST IRAN (18163/13)

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

I am writing with regard to Council Decision 2013/685/CFSP of 26 November 2013 concerning restrictive measures against Iran. As you know, extensive EU restrictive measures exist on Iran, including the ability to designate individuals and companies the EU assess breach specific sanctions criteria.

You will recall the litigation brought by a number of Iranian entities against their designation under EU Iran Sanctions at the EU General Court. On 16 September 2013, the EU's Council of Ministers lost seventeen cases- IRISIL plus seventeen of its subsidiaries. The EU General Court gave the Council 2 months and 10 days from the date of these judgements to take any remedial action or to lodge an appeal before the annulment of the listings came into effect on 26 November 2013. The EU Council took the decision to relist IRISL plus fifteen of its subsidiaries, and to allow the annulment of the listing of two additional entities.

The process for the Council to relist includes informing the relevant entities by letter of the Council's intention to relist them, allowing these entities a number of weeks to contest the grounds for their relisting. These entities only responded in mid-November 2013, meaning the Council Decision and Council Regulation had to be agreed within a very short timescale. As stated above, a Decision and Regulation needed to be agreed by 26 November 2013, as otherwise there would not have been sufficient time to give notice to the entities and relist them before the annulment came into effect.

I regret that due to these timings, I find myself in the position of having had to agree to the adoption of this Council Decision and Regulation before your Committee has had an opportunity to scrutinise these documents.

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

You will be aware that this is the second instance of post-adoption scrutiny relating to Iran Sanctions within a two week period. This has occurred because the EU General Court heard two separate challenges - on 6 September and 16 September. As there were two individual challenges, two individual Council Decisions and Regulations needed to be agreed in quick succession, which has led to two very similar Council Decisions and Regulations, as well as corresponding post-adoption scrutiny paperwork.

4 December 2013

Letter from David Lidington MP to the Chairman

I am writing with regard to Council Regulation No 1361/2013 of 17 December 2013 concerning restrictive measures against Iran. As you know, extensive EU restrictive measures exist on Iran, including the ability to designate individuals and companies the EU assess breach specific sanctions criteria.

You may recall that in March 2012 the EU General Court annulled the listings of Fulmen and Fereydoun Mahmoudian. The EU Council of Ministers appealed this judgment. The European Court of Justice (ECJ) published its decision on the listings on 28 November 2013, upholding the EU General Court's judgment and ordered the immediate delisting of both Fulmen and Fereydoun Mahmoudian.

As detailed in the attached [not printed] Explanatory Memorandum, the ECJ found that the EU Courts must be able to verify that at least one of the alleged reasons for a listing is substantiated. This means evidence, classified or not, must be provided. In the cases of Fulmen and Fereydoun Mahmoudian, the EU Council was unable to provide the EU Courts with the underlying evidence that the listings were based on because of its high classification.

The Council Implementing Regulation therefore responds to the ECJ's judgment and delists both Fulmen and Fereydoun Mahmoudian. The Council was required to do this as soon as possible.

I regret that due to the timing of the ECJ judgment and the corresponding EU Implementing Regulation, I find myself in the position of having had to agree to the adoption of this Regulation before your Committee has had an opportunity to scrutinise this document.

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

3 January 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the draft Council Regulation 18163/13 + ADD.1 (ESC 35712) amending Regulation (EU) No 267/2012 concerning restrictive measures against Iran. I sent you an Explanatory Memorandum on this Regulation on 16 January 2014. The amendment to the EU Regulation enables the EU to provide Iran with some limited sanctions relief in exchange for actions by Iran that would address the international community's most important proliferation concerns.

I regret that due to the need for the EU Regulation to be agreed at the 20 January 2014 EU FAC, I have had to agree to the adoption of this Regulation 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. I regret that the need to override scrutiny on this occasion was, however, unavoidable.

I wanted to write to provide you with some context on the Joint Plan of Action including the timelines we have had to work to in order to meet the EU's responsibilities on sanctions relief under the agreement.

As you know, the agreement reached on 24 November 2013 in Geneva between the E3+3 (US, UK, France, Germany, China and Russia) was the first agreement on Iran's nuclear programme in a decade. The Joint Plan of Action (of which I attach a copy) sets out a common objective for a comprehensive solution to resolving the nuclear issue. It also defines measures to be taken as a first step, that would address the international community's most important proliferation concerns, and last for a six month period, in order to give time and space to negotiate a comprehensive solution.

The document sets out a shared objective of ensuring the exclusively peaceful nature of Iran's nuclear programme and that this would enable Iran to fully exercise its basic rights to nuclear energy for peaceful purposes.

The first step measures that Iran has agreed to take would halt all key aspects of its nuclear programme, and in some cases roll it back. Specifically, the agreement sets out that as a first step Iran would:

- Eradicate stockpile of 20% enriched uranium in its most concerning form (UF₆) (currently 196 KG) by diluting half (to less than 5% enriched) and converting half to oxide;
- Suspend above 5% enrichment everywhere in Iran, including at Natanz and Fordow;
- Not install further centrifuges at Natanz, and will only replace existing centrifuges with centrifuges of the same type (i.e. not install or bring into operation advanced centrifuges);
- Not produce centrifuges, except to replace damaged existing machines (and only replace like-for-like);
- Limit the stockpile of less than 5% enriched uranium in its most concerning form (UF₆) by converting newly enriched UF₆ into oxide;
- Not establish new locations for enrichment;
- Halt fuel production for the Heavy Water Research Reactor at Arak (which could potentially offer Iran a plutonium route to a bomb) and not install remaining components (i.e. control room equipment; refuelling machine; and reactor cooling pumps);
- Not develop a reprocessing facility (i.e. to extract plutonium);
- Allow enhanced monitoring and transparency (which includes some of the requirements under the Additional Protocol) of its nuclear facilities.

In return, the US and EU have agreed proportionate and meaningful sanctions relief, although the bulk of the sanctions measures remain in place. In summary:

- The US will pause efforts to reduce crude oil sales to Iran's oil customers;
- The US will agree to repatriate an amount to be agreed amount of oil revenue held abroad;
- The EU and US will suspend oil-related insurance and transport costs. (i.e. EU's P&I measures);
- The EU and US will suspend sanctions on petrochemical exports; and sanctions on imports of gold and precious metals;
- The US will suspend sanctions on the auto industry; and allow licensing on the civil aviation sector;
- No new nuclear-related sanctions to be implemented by the UN, EU and US Administration;
- The US will establish a financial channel to facilitate humanitarian and legitimate trade, including for payments to international organisations, and for Iranians studying abroad;
- The EU will increase the thresholds for authorisation of financial transactions for humanitarian and non-sanctioned trade.

Since the 24 November, the EU has been working to ensure that it will be able to deliver its share of the sanctions relief package once implementation of the Joint Plan of Action formally begins. The agreement comes into force on 20 January, when the IAEA is due to report on the current status of Iran's nuclear programme, including verification that Iran is meeting its commitments under the Joint Plan of Action. The E3+3 will then commence sanctions relief as set out above. In order for the EU to make good its share of the sanctions relief, the EU Regulations will need to be amended, as set out in the Explanatory Memorandum. The bulk of sanctions will stay in place until a comprehensive settlement is reached, and we will robustly enforce those sanctions to ensure that Iran will still have a powerful incentive to reach a comprehensive solution. Over the next six months the IAEA will continue to verify Iran's commitments under the Joint Plan of Action.

The UK welcomes the fact that we have now reached E3+3 agreement with Iran on implementing the first step of the Joint Plan of Action. The entry into force of this agreement on 20 January is an important step towards peacefully resolving the Iranian nuclear issue. It is important both because of the restrictions that it puts on Iran's nuclear programme (the development of which will be halted and in some cases rolled back) and because it indicates that it is possible for Iran and the E3+3 to reach agreement.

What we have achieved so far is only the beginning; there is a huge amount of work to be done before we reach a final, comprehensive settlement that gives the world full confidence that Iran's nuclear programme is for purely peaceful purposes. The E3+3 is considering our approach and we expect negotiations with Iran on a comprehensive agreement to begin in February.

20 January 2014

Letter from the Chairman to David Lidington MP

The EU Sub-Committee on External Affairs considered the above Explanatory Memoranda on 6 February and decided to clear the documents from scrutiny.

I would also like to take this opportunity to thank you for the briefing your officials provided at the same meeting on the issue of EU restrictive measures. As discussed with your officials, we hope you will consider what aspects of the briefing might be put in the public domain in a written submission.

10 February 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the EU Council Decision and Council Implementing Regulation concerning restrictive measures in view of grave human rights abuses in Iran. The Council Decision and Council Implementing Regulation renew the measures, which include the designation of over 80 individuals and entities for 12 months, until April 2015.

As detailed in the attached [not printed] Explanatory Memorandum, the human rights situation in Iran continues to be of serious concern and therefore it is important that the UK is able to continue to

send a strong message to Iran by supporting the EU Council in its decision to renew these restrictive measures for another 12 months.

The measures would have lapsed had they not been renewed in advance of their renewal date. Unfortunately the draft Council Decision and Council Implementing Regulation were written so close to the renewal date that they needed to be agreed very quickly. Therefore I regret that I find myself in the position of having to agree to the adoption of these Council Decisions and Implementing Regulations before your Committee has had an opportunity to scrutinise the documents.

Your Committee has previously expressed concern that renewals of this type are not considered earlier in the EU, reducing the possibility of the documents being scrutinised. This is something I am very aware of and I have instructed my officials to continue to raise these concerns with colleagues in the EU.

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 is regrettably unavoidable.

17 April 2014

RESTRICTIVE MEASURES AGAINST UKRAINE (UNNUMBERED)

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

I am writing to you following the serious escalation of violence that took place last week in Ukraine. Although events are still on-going, I wanted to write to you now to update you on the work that the EU has been involved in, in particular on the issue of possible restrictive measures.

On 10 February the FAC discussed the situation in Ukraine, and at that time agreed that the EU “remains ready to respond quickly to any deterioration on the ground.” As a result of the serious violence that took place in Kiev on 18 February, the FAC met in an emergency session on 20 February. This meeting agreed that because of the deterioration of the situation in Ukraine, the EU should immediately begin work on targeted measures against those individuals responsible for human rights violations, violence and the use of excessive force. Events in Ukraine have since moved on significantly; a new interim administration is being formed with Presidential elections planned for 25 May. EU Member States are keeping the situation under close review and, in particular, considering how targeted measures can be best used to support stability and democracy in Ukraine. The measures may therefore be amended in light of circumstances on the ground. I will keep the Committee informed, and of course endeavour to allow the Committee to consider proposals before agreement is reached in Brussels, but I hope that the Committee will understand that this might not always be possible due to the fast moving situation.

27 February 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the attached [not printed] Council Decision and Council Regulation concerning Restrictive Measures in view of the situation in Ukraine. You will recall that I explained in my letter to you of 27 February 2014 that these measures were under discussion.

On 5 March 2014, the EU Council adopted Council Decision 2014/119/CFSP and Council Regulation (EU) No.208/2014, which imposed an asset freeze on 18 individuals identified through the criteria above (listed in Annex I [not printed]).

These measures were agreed following the decision of the EU Council on 3 March 2014 to refocus restrictive measures on the freezing of assets of individuals identified as responsible for the misappropriation of Ukrainian state funds, in addition to individuals responsible for human rights violations, as had been agreed by EU Foreign Ministers on 20 February 2014. Both criteria were agreed with a view to strengthening the rule of law and human rights in Ukraine.

Following this decision, the new Ukrainian government shared a list of individuals that they intended to investigate/prosecute for the misappropriation of state assets; this informed the decision by the EU Council to list 18 individuals. This decision will help prevent further asset flight, thus protecting state funds for use by future governments, as well as supporting the rule of law in Ukraine.

Whilst there are currently no individuals listed in relation to human rights violations, it is important to maintain flexibility to list individuals on this basis, given ongoing investigations, the fluid situation in Ukraine and the unpredictable nature of the crisis. Any additions to the list, including on human rights grounds, would be subject to a separate scrutiny process.

I find myself in the position of having had to agree to the adoption of this Council Decision and Council Regulation before your Committee has had an opportunity to scrutinise the documents. I hope, however, that the Committee recognises that on this occasion the swift pace of events, combined with the need to act rapidly in order to maximise the efficacy of measures agreed, has made this necessary.

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.

11 March 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the attached [not printed] Council Decision and Council Regulation concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine. You will recall that I wrote to you on 11 March to update you on the adoption of Council Decision 2014/119/CFSP and Council Regulation (EU) No 208/2014 concerning restrictive measures in view of the situation in Ukraine, and to explain on that occasion why I had to agree the adoption of that Decision and Regulation before your Committee could consider them. You will also recall that the original restrictive measures related to the misappropriation of state assets.

On 17 March 2014, the EU Council adopted Council Decision 2014/145/CFSP and Council Regulation (EU) No 269/2014, which impose a travel ban and asset freeze on 21 individuals identified through the criteria above (listed in Annex I[not printed]). The individuals on the list fall into one of four categories: Crimean political leaders, Russian parliamentarians, Russian presidential advisors and Russian military commanders.

These measures were adopted by the Foreign Affairs Council in response to the threat to the territorial integrity of Ukraine posed by events in Crimea, in particular this weekend's referendum.

I regret that I again find myself in the position of having to agree to the adoption of a Council Decision and Council Regulation concerning Ukraine before your Committee has had an opportunity to scrutinise the documents. Events in Ukraine continue to move forward at pace, and the European Union needs to continue to respond to these events swiftly and appropriately.

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.

19 March 2014

Letter from David Lidington MP to the Chairman

I am writing with regard to the attached [not printed] Council Decision and Council Regulation concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine. You will recall that I wrote to you on 11 March to update you on the adoption of Council Decision 2014/119/CFSP and Council Regulation (EU) No 208/2014 concerning restrictive measures in view of the situation in Ukraine, and to explain on that occasion why I had to agree the adoption of that Decision and Regulation before your Committee could consider them. You will also recall that the original restrictive measures related to the misappropriation of state assets.

On 17 March 2014, the EU Council adopted Council Decision 2014/145/CFSP and Council Regulation (EU) No 269/2014, which impose a travel ban and asset freeze on 21 individuals identified through the criteria above (listed in Annex I[not printed]). The individuals on the list fall into one of four categories: Crimean political leaders, Russian parliamentarians, Russian presidential advisors and Russian military commanders.

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I regret that I again find myself in the position of having to agree to the adoption of a Council Decision and Council Regulation concerning Ukraine before your Committee has had an opportunity to scrutinise the documents. Events in Ukraine continue to move forward at pace, and the European Union needs to continue to respond to these events swiftly and appropriately.

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.

25 March 2014

Letter from David Lidington MP to the Chairman

Further to my explanatory memorandum of 11 March 2014, I am writing to provide your Committee with a further update on restrictive measures in view of the situation in Ukraine.

As you know, on 5 March 2014, the EU Council adopted Council Decision 2014/119/CFSP and Council Regulation (EU) No.208/2014, which imposed an asset freeze on 18 individuals identified as responsible for the misappropriation of Ukrainian State funds. Prior to this decision to impose restrictive measures, the new Ukrainian government shared a list of individuals that they intended to investigate and prosecute for the misappropriation of state assets; this informed the decision by the EU Council to list 18 individuals.

The Ukrainian Government has now shared a list of 4 further individuals subject to this investigation in Ukraine. Therefore on 14 April the EU Council agreed to include these additional names on the list of individuals subject to restrictive measures. Their inclusion on the sanctions list will help prevent further asset flight, thus protecting state funds for use by future governments, as well as supporting the rule of law in Ukraine. In addition, the supporting information of 3 individuals originally listed on 5 March has been updated.

The Council is also due to update the identifying information of 9 individuals listed in Council Decision 2014/145/CFSP and Council Regulation (EU) No. 269/2014 for 'undermining or threatening the territorial integrity, sovereignty and independence of Ukraine'. This is to ensure sanctions are effectively implemented going forward.

I have included an annex [not printed] to this letter with the relevant Council Decision and Regulation, which includes the additional 4 names mentioned. As you know, the responsibility to keep your Committee informed on issues concerning sanctions is something I take seriously. I and my officials stand ready to provide any further information your Committee would find helpful.

22 April 2014

Letter from David Lidington MP to the Chairman

Further to my Explanatory Memorandum of 19 March 2014, I am writing to provide your Committee with further information on restrictive measures in view of the situation in Ukraine, explaining the EU approach to sanctions and what further measures are being considered against Russia.

You will recall that on 17 March 2014 the EU designated 21 individuals under Ukraine sanctions for actions which "undermine or threaten the territorial integrity, sovereignty and independence of Ukraine". An additional 12 individuals were designated for the same reason on 21 March 2014.

On 14 April 2014, the European Council Conclusions stated that additional individuals should be listed as a result of actions undertaken by armed individuals in cities of Eastern Ukraine. On 29 April 2014, the European Council designated an additional 15 individuals, bringing the total number of individuals listed under Ukraine sanctions to 28 (plus 18 individuals listed separately for the misappropriation of Ukrainian state assets). The additional 15 names cover Russians and Ukrainians involved in tightening the grip on Crimea – Parliamentary and Military – and prominent Ukrainians involved in separatist activity in Eastern Ukraine.

As you know, individuals can only be listed at EU level if there is political agreement between all 28 Member States, and they must remain consistent with EU law. The listing of an additional 15 individuals illustrates the fact that the EU will continue to impose sanctions on Russia if it does not take action to deescalate the situation. The Foreign Secretary stressed this to the House of Commons on 28 April 2014.

As you know, the responsibility to keep your Committee informed on issues concerning sanctions is something I take seriously. I and my officials stand ready to provide any further information your Committee would find helpful.

2 May 2014

REVIEW OF THE 2007 GUIDELINES ON THE APPOINTMENT, MANDATE AND FINANCING OF EU SPECIAL REPRESENTATIVES (EUSRS) (UNNUMBERED)

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

Having successfully fought off in the autumn a proposal from the European External Action Service (EEAS), backed by the European Parliament, for a full transfer of EUSRs, their staff and associated resources, to the EEAS, at the December 2013 General Affairs Council (GAC) Ministers agreed to review the 2007 Guidelines on appointment, mandate and financing of EUSRs by the end of March 2014. This letter provides an update on progress.

Discussions on the amended guidelines began at the EU's Political and Security Committee (PSC) on 10 January and have continued in the Relex Counsellors' working party. Following consideration of an initial proposal by the European External Action Service (EEAS), the Greek Presidency is steering the negotiations. In most areas the discussions appear to be moving in the right direction, with general support for the UK's overall objectives and proposals designed to increase the efficiency, effectiveness and accountability of EUSRs.

The Presidency and the Member States have engaged intensively and negotiations are moving ahead quickly. We have to date secured clear improvements to the 2007 text, including references to: more thorough evaluation of EUSR mandates; enhanced reporting mechanisms; and the inclusion of indicators to assess EUSR delivery against their objectives. We hope that the final text will go further, and in particular, we are in a coalition of EU Member States aiming to reduce current salary levels – although this is meeting with resistance from some others.

Separate from the above discussions, there have been some changes to the forthcoming round of mandate renewals. The Treaties afford the High Representative /Vice-President of the Commission (HRVP) the right of initiative for appointment of EUSRs. On 27 January, Baroness Ashton told Member States that she had decided not to propose the appointment of a successor to Patricia Flor, the EUSR for Central Asia, who had decided to step down at the end of February 2014. The EEAS has since indicated that a senior member of the EEAS will be appointed to take forward the role in the first instance. Baroness Ashton also said she would not replace any EUSR resigning between now and the end of her own mandate. She added that where mandates ended on or before 30 June 2014, she would only renew them to 31 December 2014. The UK and others argued strongly that it was unrealistic to expect the next HRVP, due to take office on 1 November, to make proposals on EUSRs immediately on taking office, and the Council to consider, ensure Parliamentary scrutiny, and approve appointment decisions by the end of the year. We highlighted that EUSRs could provide continuity through the change-over of HRVP and proposed that, at the least, mandates should be renewed until spring 2015. Baroness Ashton subsequently agreed to extend all EUSR mandates expiring this year until February 2015. EUSR Bosnia will continue until June 2015, as mandated.

Following the appointment of the next HRVP, we will ensure that we engage early with the EEAS on EUSRs, including in the context of discussions on the 2015 EU annual budget. We expect the EEAS and European Parliament to use that negotiation to push again for full integration of funding for EUSRs into the EEAS budget, which we will continue to oppose.

20 February 2014

Letter from the Chairman to David Lidington MP

The EU Sub-Committee on External Affairs considered the above letter at its meeting on 13 March. Thank you for your update on the discussions on the amended guidelines.

We are aware that an issue that remains under negotiation is the salary scale of the EUSRs. In our own inquiry into the European External Action Service (EEAS) we concluded that the EUSRs' salaries should indeed be lowered. We support your negotiating position on this issue and urge you to take a robust line at the EU level.

On the issue of integrating the EUSRs, their staff and the associated resources more fully into the EEAS, we heard evidence during our inquiry that the functioning of EUSRs could be improved by further integration into the EEAS. Can you set out in more detail why the Government is opposed to such a move?

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

13 March 2014

Letter from David Lidington MP to the Chairman

I am pleased to tell you that the Review of the 2007 Guidelines on the appointment, mandate and financing of EU Special Representatives has now concluded. Despite opposition from other Member States, we have managed to secure a reduction in the salaries of EUSRs from the AD16 range on the EU pay-scale to the upper end of the AD14 range. This will result in savings of €29,028 per year per EUSR for all future appointments. We also secured improvements to the text across the board, including: language outlining the need for mandates and budgets to be proposed in sufficient time to allow Member States to find suitable candidates and to carry out national scrutiny procedures; agreement to setting of indicators to measure EUSR achievement of objectives in all mandates; introduction of the possibility of discontinuing mandates where Member States consider implementation to have been completed or where there are significant obstacles to delivery; and commitment to further exploration of ways to enhance overall efficiency and reduce costs. I attach a copy of the revised Guidelines. I am sure you will agree these represent a significant improvement on the 2007 version.

You ask me to set out in detail why the Government is opposed to further integration of EUSRs into the EEAS. Baroness Ashton advocates a full transfer of EUSRs and their associated resources into the EEAS. The Government does not support this as we believe it would diminish the control Member States have over this important tool for delivering the Common Foreign and Security Policy (CFSP). At present, the High Representative has the right of initiative for the appointment of EUSRs. However, they are funded from the CFSP budget, which means the Council retains control over how they are deployed, and negotiates their budgets. A transfer of resources into the EEAS would reduce this Member State control. What is more, it would reduce the flexibility of the already stretched CFSP budget. This is why, as part of the review of the 2007 Guidelines, the UK argued successfully with others for the removal of references to any future transfer of resources. This issue is likely to come up again during negotiations on the 2015 EU Budget.

However, as officials set out during discussions on the 2013 Review of the EEAS, the UK wants to explore measures that fall short of full integration and that would reduce running costs compared to the current system. Indeed, we were supportive in principle of the recommendation in the EEAS Review to create a shared services centre to provide logistical, procurement and administrative support for all CSDP missions and EUSRs, as long as this could be achieved within the existing EEAS legal framework. We continue to advocate the pooling of functions and remain open to suggestions of how to achieve this.

25 March 2014

TRADE IN CERTAIN GOODS WHICH COULD BE USED FOR CAPITAL PUNISHMENT, TORTURE OR OTHER CRUEL, INHUMAN OR DEGRADING TREATMENT OR PUNISHMENT (UNNUMBERED)

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

The above proposal was considered by the EU Sub-Committee on External Affairs on 6 March and was retained under scrutiny.

We have concerns that the brokering provisions proposed by the Commission could weaken UK export controls. You inform us that there are three options available to the UK: accept the slightly narrower scope of the EU proposals, negotiate a derogation or persuade the EU to accept the broader scope of UK brokering controls. We understand that you have not yet made a decision on which approach to pursue and have “not yet had time to consider this question in much detail.” We therefore consider it premature to lift scrutiny on this proposal at an incipient stage and in the absence of a clear Government position.

We urge you to take a robust line at the EU level that does not weaken existing UK brokering controls on goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment.

We would invite you to keep us updated as discussions and negotiations proceed and we look forward to scrutinising the final proposal. We look forward to your response in due course.

7 March 2014

UK POSITION IN NEGOTIATIONS TO AGREE A NEGOTIATING MANDATE FOR AN EU-SWISS INSTITUTIONAL FRAMEWORK AGREEMENT (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 negotiations to agree a negotiating mandate for an EU-Swiss institutional Framework which was agreed in Brussels on 30 April.

The EU has been keen to renegotiate its institutional arrangements with Switzerland for some time. Switzerland currently participates in elements of the EU internal market via more than 120 bilateral sectoral agreements. This approach has not ensured sufficient consistency in the application of Single Market rules in those parts of the internal market in which Switzerland participates. The EU is proposing a new approach which would provide legal certainty to the relationship via an overarching umbrella agreement; the Institutional Framework Agreement. The EEAS proposed a draft mandate for negotiations on this institutional framework in November 2013.

In February 2014 the Swiss referendum on mass immigration amended the Swiss constitution to require the government to impose quotas on immigration, including on EU citizens, which is in breach of the EU-Swiss Free Movement of Persons (FMOP) agreement. This put the launch of negotiations on the institutional framework on hold while the EU considered how it should respond. Following the referendum, the Swiss have three years to re-negotiate existing treaties, including those with the EU, to reflect the outcome of the referendum. The Swiss government have not yet decided how to approach renegotiation of the FMOP agreement, but we expect them to do so by the end of June.

It is the Government's view, shared by Member States and the EEAS, that adoption of the institutional framework mandate would open the way for negotiation of a broad package of measures between the EU and Switzerland, including on FMOP, the institutional framework, and other sectoral agreements. This package, once agreed, would put the EU-Swiss relationship on a new footing.

In order to set out EU concerns about the impacts of the Swiss referendum on the bilateral relationship, it was agreed that a Council statement be adopted alongside the negotiating mandate of the Institutional Framework Agreement. The statement called for confirmation from the Swiss that their free movement and other obligations under the existing agreements with the EU will be honoured until any new agreements are reached, and that the acquired rights of EU, including British, citizens on Swiss territory will be protected.

Given the importance of launching the Institutional Framework Agreement negotiations in order to achieve our objective of reaching a solution on EU/Swiss FMOP, it was in our interest for the EU and Switzerland to have a clear basis for discussion. We therefore accepted adoption of the Statement and Institutional Framework Agreement mandate in Brussels on 30 April.

We now await from the Swiss confirmation of how they wish to proceed with taking forward the result of the referendum. I will keep the committee up to date as things proceed.

16 May 2014

UNCITRAL CONVENTION ON TRANSPARENCY NEGOTIATING MANDATE
(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 that on 31 January, the European Council adopted a mandate for the European Commission to negotiate a Convention regarding the application of the UN Commission in International Trade Law (UNCITRAL) Rules on Transparency.

The UNCITRAL Rules on Transparency, which were adopted in July 2013, make it mandatory to publish certain papers from Investor-State Dispute Settlement (ISDS) arbitrations, to make hearings accessible to the public (both subject to certain confidentiality restrictions) and to enable third party submissions to the arbitration tribunal where relevant. The Rules on Transparency will only apply to ISDS cases brought under treaties signed after 1 April 2014 and that have been submitted under the UNCITRAL arbitration rules.

Following the adoption of the Rules on Transparency it was agreed at UNCITRAL to prioritise the development of a mechanism to apply these rules to ISDS cases brought under existing investment treaties, if the parties to those treaties so desired. The Convention on Transparency was proposed for this purpose and the first reading took place in September 2013. Ahead of the second reading, the EU Commission requested a mandate for this negotiation under its competence over the common commercial policy as set out in Article 207 of the Treaty on the Functioning of the European Union. The Commission argued that because the Convention will be an agreement with third countries to which the Union may be a party, a mandate was required. Its main practical interest is that it wishes to apply the Rules on Transparency to ISDS cases brought against the Union under the Energy Charter Treaty. Member States will decide for themselves whether to sign the Convention applying the Rules on Transparency to their existing investment treaties.

EU NEGOTIATING MANDATE FOR THE CONVENTION ON TRANSPARENCY

The Commission mandate reflects the UK's view on competence, including specific reference to EU Member States being entitled to negotiate to the extent the provisions fall within their national competence. The Commission has signalled its intention to include the UNCITRAL Rules on Transparency as a common standard for future investment agreements and to apply this standard of transparency to all sets of arbitration rules if agreeable with their respective negotiating partners.

The negotiating mandate is a restricted document; as it represents a negotiating position it is not in the public domain and it is not therefore possible for me to submit for scrutiny. I can however update you on progress in the talks themselves.

UNCITRAL CONVENTION ON TRANSPARENCY SECOND READING

The second reading of the Convention on Transparency took place on 3-7 February 2014. The UK, as one of 60 elected members of the working group, participated in the negotiations. The EU participated in the negotiations under its observer status, as represented by the European Commission.

Significant progress was made towards the agreement of the final Convention with various contentious issues resolved. There is consensus in the group that by signing the Convention a signatory will automatically apply the UNCITRAL Rules on Transparency to all its existing international investment treaties and all sets of arbitration rules included in these treaties unless reservations are made. A reservation can be applied in respect of specific investment treaties, specific arbitration rules (other than the UNCITRAL arbitration rules) and any future amendments to the Rules on Transparency.

I expect the Convention to be adopted following the third reading due to take place in July 2014. I will inform you if a further negotiating mandate is agreed for the third reading and also once the Convention is adopted I will write regarding the UK's decision on whether to sign the Convention applying the Rules on Transparency to arbitrations under its existing investment treaties.

17 February 2014

Letter from the Chairman to Lord Livingstone of Parkhead

Thank you for your letter of 17 February in respect of the above subject, the letter was considered by the EU Sub-Committee on External Affairs on 6 March.

The Committee were interested to learn that a negotiating mandate has been adopted to allow the Commission to negotiate a Convention about the application of UNCITRAL rules of transparency to investor-state dispute settlement (ISDS) arbitration. In view of our inquiry into the Transatlantic Trade and Investment Partnership (TTIP), could you please set out for us whether and how the UNCITRAL rules of transparency could might apply to ISDS provisions included in the TTIP?

For the same reason, the Committee would also be interested to learn what stance the US is taking in the negotiation of the Convention.

We look forward to your response within the standard ten working days.

7 March 2014

UPDATE ON EU POLICY TOWARDS ZIMBABWE (UNNUMBERED)

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

Thank you for your letter of 27 February in which you request an update on the EU's medium-term policy towards Zimbabwe and details of the steps HM Government is taking to promote a coherent position at the EU level.

Following the seriously flawed elections of 31 July, and the creation of a new ZANU-PF government in Zimbabwe, we considered our overall approach to Zimbabwe in the autumn of last year. We agreed to focus on how we can best support the Zimbabwean people in exercising their democratic right to build a free, peaceful and prosperous future as well as protect and advance UK interests, including consular support and commercial opportunities. As part of this process, we considered our overall approach to the EU Targeted Measures which shaped our thinking ahead of their renewal/expiry on 20 February.

The EU first imposed Targeted Measures (both Appropriate and Restrictive) on Zimbabwe in 2002, following the escalation of political violence related to the elections that year. The measures were introduced to put pressure on those considered responsible for the violence and have been reviewed, and renewed in some form, each year since. They are a preventative rather than punitive tool. Appropriate Measures are applied under Article 96 of the Cotonou Agreement and prevent the channeling of EU aid directly through Government of Zimbabwe systems. Restrictive Measures consist of travel bans and asset freezes on designated individuals and entities, and an Arms Embargo. Following the review of Zimbabwe's Targeted Measures in February 2014, the EU decided to renew the Arms Embargo and suspend the Measures on all but 2 individuals, President Mugabe and his wife, and one entity, Zimbabwe Defence Industries. The EU also decided to maintain the suspension of the Appropriate Measures until 1 November 2014.

Ahead of their expiry, the EU reviewed its relations with Zimbabwe and its approach towards the Targeted Measures. Before coming to a joint decision on the best way forward, Member States engaged in a thorough examination of policy options, taking account of the political situation in Zimbabwe, the varied views amongst stakeholders, and the relevance of the listings to the aims of the Measures as a whole.

Between November and February, the UK liaised closely with the European External Action Service and EU partners in Harare, Brussels and other EU capitals to share our assessments of recent developments in Zimbabwe, explain the UK's position towards the Measures, and consider the EU's future approach. As you would expect, there were a variety of views among the 28 Member States on how to best utilize the Measures to positively influence the Government of Zimbabwe and drive necessary reform. Importantly however all Member States agreed on our common goal – to support the Zimbabwean people in exercising their democratic right to build a free, peaceful and prosperous future – and worked collaboratively to agree the most effective way forward.

The enclosed [not printed] EU declaration issued by Baroness Ashton on behalf of all 28 Member States on 19 February, sets out the rationale for the final EU decision on the Measures (which required unanimity) as well as Member States' collective aspirations for Zimbabwe going forward. I can assure you that, through close cooperation with EU partners, we ensured the UK's key objectives were not compromised during the negotiations.

Looking ahead, the EU remains committed to supporting democratic reforms, including those contained in the new Constitution and outstanding reforms such as to the media and security sectors; reducing human rights abuses and levels of corruption; and encouraging a return to economic stability and equitable growth to improve the lives of ordinary Zimbabweans.

We will continue to work closely with EU partners to achieve these collective goals and maintain regular dialogue through a variety of fora. Mark Simmonds, as Minister for Africa, has discussed the situation in Zimbabwe with the EEAS Managing Director for Africa (Nick Westcott) on numerous occasions. Officials are in regular contact with their EU counterparts in EU capitals and Brussels to discuss and formulate EU policy towards Zimbabwe.

In Harare, the British Embassy attends weekly meetings with the EU Delegation and Missions in order to share reporting, identify and promote areas of collaborative working, and ensure a consistent approach amongst Member States. Our Ambassador works with her EU counterparts to issue joint updates on the political and economic situation, which help inform capitals ahead of the discussions in Brussels. EU Heads of Mission also issue joint statements on matters of concern such as the statement last month condemning recent acts of political violence. Other examples of joint working include the coordination of a Zimbabwe business delegation visit to Europe (including the UK) in January, with the objective of encouraging EU trade and investment and a better understanding of the business opportunities in Zimbabwe.

Recognising the merits of working collectively to best achieve our long term goal of a peaceful, democratic and prosperous society for all Zimbabweans, we will continue to ensure this close collaboration on Zimbabwe with EU partners, as well as with our partners in the region and internationally. This week's EU-Africa summit offers further opportunities for collaborative working with EU Member States and regional partners on a range of African issues.

7 April 2014

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

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

The European Scrutiny Committee in its Report of 4 September 2013 (ESC 35273-4) requested "an assessment of what difference these years of EU assistance has made to the security and human rights of the DRC's citizens vis à vis the security forces to whom it has been provided". I am writing to you with a current update on CSDP in DRC.

BACKGROUND:

In July 2012, following a Strategic Review, Ministers agreed to extend the work of EUPOL and EUSEC DRC for a final two years following which it was planned both missions would close in September 2014. Since this decision was made, there have been significant developments on the ground that has warranted a review of this decision. Sustained high levels of conflict restarted in eastern DRC in mid-2012, leading to the capture, by M23 rebels, of Goma (a city with a population of over 1,000,000 people) in November of that year. The fall of Goma brought renewed international attention and a range of initiatives that provide an important opportunity to address the complex cycles of conflict in eastern DRC. Efforts to stabilise the eastern part of the country require a reformed army, police and justice sector that can provide effective security across the whole of the country.

The UK's Stabilisation Unit has recently carried out an assessment of security sector reform (SSR) in DRC with a view to examining how best to provide support to the UK's wider investment in DRC, a summary version of which is attached [not printed]. DfID currently runs a 4 year programme worth £790million. The UK contributes approximately £57 million per annum of MONUSCO's annual budget and additionally 15% of the EU's €250million per annum development programme to DRC. As you can see, we have a lot invested in improving the lives of those in the region. The Stabilisation Unit report 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. The main findings in relation to EUPOL and EUSEC are detailed in the attached [not printed] summary.

While progress on SSR has been slow, EUSEC has made some significant gains in a very challenging and fragile environment. There is growing engagement on the part of the Congolese authorities and

this is delivering results. There is now an authoritative list of who is in the armed forces and members of the armed forces have biometric ID cards. They are more likely to be paid on time, so have less reason to use violence or to steal to provide for their families. In other work, progress has also been made in relation to military academies. The mission has supported the creation of an officer training programme at the Kananga Military Academy, providing material support to the academy that has enabled it to be largely rebuilt but also helping set its entrance exams thereby ensuring that the right staff benefit from the Academy. It has also supported the Logistics School which has ensured that the army now has a relatively good inventory of the weapons it possesses and a plan that determines how to provide soldiers with food, weapons, uniforms etc. An international expert provides training to new recruits on human rights and sexual violence, which is helping to change attitudes and ways of operating although there is still a long way to go. The military benefit from strategic advice on reform plans and the development of a strategy for the future of the military is beginning to be seen and is a key part of EUSEC's work. While the mission has improved the approach of senior military leaders, progress was initially slow, hampered by vested interests and a lack of strong leadership to push through reforms and remains an area where more work is needed.

As a result of the gains that have been made in recent years, the DRC now has a body resembling an army. Much progress in this sector has been due to the efforts of EUSEC. I believe that it is important that there is no roll-back on what has achieved so far. The circle of violence, instability and poor development has festered for 20 years; yet since the fall of the M23, a limited but rare opportunity exists to bring stability to the region. We need to ensure that we continue to support SSR, and in the most effective manner that will best support UK wider commitment to the DRC. SSR is incredibly important as it is crucial to the future stability of the region and underpins all the other activity we support. We have worked hard to come up with a solution for CSDP in DRC which I think will achieve this.

EU PLANS FOR CSDP:

EUPOL will close as originally planned in September 2014 and work requiring further support is in the process of being handed over to other development actors, including a police reform programme managed by DfID and a policing component within a wider SSR support programme run by the European Development Fund (EDF).

Plans for continued work on defence reform are more complex. The Commission will run a military reform programme within the EDF programme for the period 2015-2020, costing €50 million. Specifically this will:

- Support implementation of the army's reform plans, with a particular focus on compliance with international human rights law, women and children.
- Support financial management and human resources procedures of the Congolese Ministry of Defence.
- Strengthen training policy and recruitment.

The Commission has indicated that it will be ready to assume responsibility for work in these areas from the middle of 2015. The EEAS has therefore proposed, and I support, a final 9 month extension of EUSEC's work from September 2014 to June 2015 to cover the gap. EUSEC, as it now stands, will then close.

But there are two areas of work that the Commission cannot fund, as they fall outside of ODA definitions: strategic advice on reform; and support to military schools. Our assessment of the value of these two areas of work is as follows:

- Full time EUSEC officers support the Ministry of Defence/Military Command providing strategic military advice on reform. This is not work that the UN or security expertise at the EU Delegation can replicate. This advice has been part of a bigger programme of support which has seen three major pieces of legislation come in to force, including the *statut militaire* (putting the army on a legislative footing). This has been the major success of the reform programme and constitutes the framework needed to professionalise the army. The next step is full implementation. We believe that it would be wrong to end support in 2015, jeopardising the substantial amount that has been achieved so far and missing the opportunity to support the Congolese government to take forward such an important reform programme.

- EUSEC supports military schools, including the military academy for officers as this is building the leadership of the future. EUSEC has helped reopen the academy and supporting recruitment curriculum formation (with Belgium), recruitment of teachers, English language (with UK) and exams/graduation process. We believe that a further 2 years of CSDP work would establish a realistic prospect of full hand over to the Congolese.

The EU's plan now, which I support, is that a very small CSDP mission should continue to operate from mid-2015 to, mid-2016 to fill the gap. Initial estimates are that the mission would require 7-10 staff and cost approximately €1.3 million per year. As planning for this micro-mission emerges, my officials will closely scrutinise it for essential work only and an appropriate budget which should not go higher than this estimation. Synergies and burden sharing between the small CSDP mission and the larger Commission programme should be optimised and we will encourage this.

I believe that the Stabilisation Unit's assessment sets out a strong case for further work on defence reform. We clearly would not wish to jeopardise the effectiveness of the UK's significant aid programmes in DRC. As a result, I believe that closing EUPOL and agreeing further activity on defence reform, as outlined above, represents a good outcome for the UK.

2 June 2014

UPDATE ON THE SITUATION IN UKRAINE (UNNUMBERED)

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

As you know the situation in Ukraine has been of grave concern, and the UK and wider international community has taken a number of steps in response. I wanted to update you on developments, in particular with regard to our action in the European Union.

The Prime Minister updated Parliament on 10 March following the emergency European Council on 6 March. 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 Prime Minister noted 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 (AA) with Ukraine.

Some have argued that the EU should step back from the Eastern Partnership and Association Agreement at this time in order to clear the table for renewed discussions with Russia. I disagree profoundly. We have been clear that if Russia is motivated to address its expressed concerns about language rights or its bases in Ukraine then that is legitimate, but there can be no justification for the violation of Ukraine's territorial integrity, which occurred before this recent decision to sign the political chapters of the AA. The Ukrainian Prime Minister has requested we support Ukraine, including through the AA, and we will do so. On Russia's position, we utterly condemn their illegal violation of the sovereignty and territorial integrity of Ukraine.

You will be interested in the implications of AA signature for parliamentary scrutiny. As you will recall, we originally submitted the draft Council Decisions 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 Yanukovich subsequently announced that Ukraine's preparations for signature of the Association Agreement would be put on hold.

The proposed new Council Decision, following the political mandate given by the informal European Council, will only authorise signature of the 'political chapters' of the AA. Nothing additional or new to the text of the AA which was cleared from scrutiny in 2013 will now be signed. The Council Decision will authorise signature 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

Title III covering Freedom, Justice and Security has been excluded from scope of the Decision on signature.

Pending entry into force of the Agreement, only a limited number of articles within these Titles will be applied provisionally once Ukraine has signed 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 II, provisional application will only cover Articles 4, 5 and 6. Articles 7 and 10, for example, on Common Security and Defence Policy and Common Foreign and Security Policy will not be provisionally applied. The 'Final Act' document that will be signed by all parties also includes a commitment to proceed to signature and conclusion of the whole agreement in due course. A second Decision on signature would be needed for other measures.

The Prime Minister's statement to Parliament of 10 March also included measures taken to increase the pressure on Russia to de-escalate the situation. This includes EU sanctions. On 3 March, the EU Council agreed to focus restrictive measures on the freezing of assets of individuals identified as responsible for the misappropriation of Ukrainian State funds in addition to individuals responsible for human rights violations. Both criteria were agreed with a view to strengthening the rule of law and human rights in Ukraine. On 5 March, the EU Council adopted Council Decision 2014/119/CFSP and Council Regulation (EU) No.208/2014, which imposed an asset freeze on 18 individuals identified through the criteria above. The details have been shared with the Committee separately. These 18 individuals were included after the new Ukrainian government provided a list of individuals who they intended to investigate/prosecute in relation to the misappropriation of state funds.

On 10 March, in accordance with post-adoption scrutiny process, we wrote to the Committees outlining the above, and explaining why scrutiny timelines could not be adhered to.

The statement by Heads of State and Government on 6 March also noted that, unless negotiations between Russia and Ukraine produced results within days, the EU would decide on additional measures, such as travel bans and asset freezes. Today, on 17 March, the FAC has agreed such measures. It agreed to travel restrictions and asset freezes in relation to individuals responsible for actions which 'undermine or threaten the territorial integrity, sovereignty and independence of Ukraine'. A full list of the individuals designated will be published by the EU on 18 March.

On this occasion and in these circumstances, the operational imperatives necessitated my agreement to these measures prior to scrutiny.

The FAC also agreed to prepare further measures, which would be taken in response to increased destabilisation of the situation in Ukraine by Russia. As Heads of State and Government agreed on 6 March, these would lead to additional and far-reaching consequences for relations in a broad range of economic areas between the European Union and its Member States and Russia. I will keep the Committees updated on progress.

17 March 2014

WITHDRAWAL OF THE PROTOCOL ON THE APPLICATION OF THE CHARTER OF FUNDAMENTAL RIGHTS OF THE EUROPEAN UNION TO THE CZECH REPUBLIC (UNNUMBERED)

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

I am writing further to my letter of 12 July last year regarding the proposed Protocol on the Application of the Charter of Fundamental Rights to the Czech Republic. This was cleared by the European Union Committee in 2012.

Since then the passage of the protocol through the EU had been slow. As you may have seen in the press, on 19 February the new Czech government announced their intention to withdraw their request to extend Protocol 30 to the Czech Republic. We have now received formal notification of this from the Greek Presidency via our Permanent Representative in Brussels, bringing the process to

an end. There is no further need, therefore, for the UK to continue the scrutiny process or to bring forward primary legislation, which would have been required to ratify the protocol.

7 April 2014

**ZIMBABWE: SCRUTINY OF EU DECISION RENEWING TARGETED MEASURES
(UNNUMBERED)**

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

I am writing to you concerning the EU Targeted Measures on Zimbabwe which, under current EU legislation, will expire on 20 February 2014. The Political and Security Committee (PSC) met on 21 January to discuss the Targeted Measures, but EU Member States were unfortunately unable to unanimously agree a package. The issue will therefore require further negotiations before agreement is reached. Given their expiry on 20 February, it will be necessary to adopt and pass into law a Council Decision before this date, in order to maintain the continuity and efficacy of the Measures as a policy tool. Officials have been working hard to achieve the completion of these negotiations as soon as possible, with the clear aim of maintaining sufficient time for parliamentary scrutiny before a Council Decision is formally adopted.

In view of developments in Zimbabwe during the period since the most recent renewal of the Restrictive Measures in February 2013, HM Government has engaged in a lengthy and wide-ranging examination of policy options in this area, bearing in mind the wider objectives of the United Kingdom and European Union in relation to Zimbabwe. This has included a conversation between the Minister for Africa Mark Simmonds and the chair of the Zimbabwe APPG, Kate Hoey. I understand that the EEAS and other Member States have done the same. The necessity of this careful process, combined with the Christmas recess, has led to the initiation of negotiations at EU level relatively late in relation to the expiry of current measures.

As you know I am committed to full and transparent scrutiny. Had the PSC reached agreement, I had hoped to deposit the Draft Decision with the Committee by 30 January, which would have provided an opportunity for their consideration ahead of their expiry on 20 February. We will continue to seek a swift conclusion to the negotiations, without sacrificing UK interests, to try and enable the Committees to consider this issue. Should this be possible, and with our shared commitment to scrutiny in mind, I would be very grateful if the Committee was able to consider the Decision with urgency once it has been submitted.

23 January 2014