



Foreign & Commonwealth Office

## **Departmental Report**

1 April 2007 – 31 March 2008

Better World, Better Britain

Presented to Parliament by the Secretary of State  
for Foreign & Commonwealth Affairs  
by Command of Her Majesty  
May 2008

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Better  
World,  
Better  
Britain

### About this Report

In common with many public-sector and private sector organisations, the FCO publishes an annual Departmental Report. The Departmental Report is a key tool in our accountability to Parliament and the public and it sets out how we are spending public funds to meet our policy and service delivery objectives. The Foreign Affairs Committee scrutinises this Report and calls on our Permanent Under-Secretary to give evidence on it each year.

This report summarises the FCO’s performance over the year, from April 2007 to March 2008. It explains how we are working to a new strategic framework and also covers the agenda of the past year. The report is structured around the following three sections:

- **Part 1** sets out the FCO’s overall **strategy and priorities** and what we have achieved over the year.

- **Part 2** explains our ambitious programme of **change**, which will allow us to deliver our objectives in the future.
- **Part 3** provides detailed **financial information** on our efficiency programmes, a comprehensive assessment of our progress against our Public Service Agreement (PSA) targets, and the ‘core tables’ data required by HM Treasury.

There are links to more information online throughout the report. Plain English Campaign’s ‘Crystal Mark’ covers this report for its intended audience and applies to Parts 1 and 2 only.

This FCO Departmental Report 2007/08 is available as a printed publication (hard copies are available from TSO – see details on the back cover) and online from our website at: [www.fco.gov.uk/en/about-the-fco/publications/publications/annual-reports/departmental-report/](http://www.fco.gov.uk/en/about-the-fco/publications/publications/annual-reports/departmental-report/).

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#### Common abbreviations and acronyms used in this report:

BERR	Department for Business Enterprise and Regulatory Reform	GOF	Global Opportunities Fund
BIA	Border and Immigration Agency	MoD	Ministry of Defence
DEFRA	Department for Environment, Food and Rural Affairs	NATO	North Atlantic Treaty Organisation
DfID	Department for International Development	NGO	Non-governmental organisation
EU	European Union	OSCE	Organisation for Security and Co-operation in Europe
FCO	Foreign & Commonwealth Office	TSO	The Stationery Office
G7	the G7 countries are Britain, Canada, France, Germany, Italy, Japan and the United States	UKTI	UK Trade & Investment
G8	the G8 countries are the United States, Canada, Britain, France, Germany, Italy, Japan and Russia	UN	United Nations
		UNSCR	United Nations Security Council Resolution



# Foreword by the Foreign Secretary, David Miliband

*"I'm in no doubt that we have the best diplomatic service in the world. I've seen your professionalism, creativity and energy. A professionalism that's founded on expertise, but also on commitment beyond the call of duty. Thank you for the work that you do, and please keep up your efforts to ensure that Britain has a pioneering and effective foreign policy."*

**The Prime Minister, Gordon Brown, speaking at the FCO Leadership Conference, March 2008**

In an ever more inter-connected world, foreign policy is at the heart of the Government's drive to build a better Britain. As the pages of this report show, the FCO is engaged across the whole range of the Government's business, to help ensure that our country takes the opportunities, and manages the risks, of globalisation.

To achieve this, it is important to be clear about the profound shifts going on in the way power is dispersed in the modern world. Economic power is moving east to Asia. The spread of democracy, and the power of the internet, is giving non-governmental groups and the citizen new power

to participate in shaping policy. And the need for global solutions to the great issues of our time, like climate change, terrorism or inequality, is moving power to a global level.

The United Kingdom (UK) is well placed to benefit from these power shifts. We are an influential member of all the key multilateral bodies starting with the EU and the UN. We have strong bilateral links across the globe. Britain is emerging as a global hub, not just for financial services, but for ideas, for excellence in innovation, and for solutions to global challenges.



The FCO and its worldwide network of posts is a unique national asset. Our diplomats have world-class skills in understanding, and influencing, what is happening abroad. While preserving those strengths, it is crucial that the FCO changes to keep pace with changing circumstances and demands.

This requires clarity on the FCO's future role and priorities. That's why, when I took over this job, I set in hand a strategic review to ensure that the FCO was focused on the most important issues on which it could make the most difference.

The results are set out in this Report. After extensive consultations inside and outside Government, I am satisfied that we reached sound conclusions. We now have a more rigorous strategic framework for the FCO's action in three areas:

- providing the global network delivering for the whole of Government;
- service delivery to citizens and business and
- four foreign policy goals.

We have in the process forged closer partnerships with a number of government departments which will, on certain issues, be taking the lead on international as well as domestic policy-making.

As a result of careful prioritisation, we are able to commit more resources to our four leading policy goals. The challenge for the FCO now is to show that it can deliver results on these goals, and across the whole strategic framework. For this the FCO needs to become more flexible and more diverse, better reflecting modern Britain. It needs to modernise how it works and where staff are deployed. As this Report shows, far-reaching reform is under way. It needs to be pushed forward vigorously.

I'm confident that the FCO can succeed in this transformation. I've been impressed by the quality of staff, both UK civil servants and staff recruited locally by our embassies, and by their dedication and sense of public service. More are now serving in more difficult and dangerous places than ever before. This Report sets out what they achieved over the last year. I offer heartfelt thanks on behalf of the Government, and I believe the country, for what they have done.

**The Rt Hon David Miliband MP**  
**The Secretary of State for**  
**Foreign & Commonwealth Affairs**

# Introduction by the Permanent Under-Secretary, Sir Peter Ricketts

I'm proud of the achievements of FCO staff this year. We delivered for Britain in difficult areas of foreign policy and helped tens of thousands of British people overseas. We've continued to modernise the way we work. And we thought deeply about the role of a foreign ministry in today's interdependent world. Under the Foreign Secretary's guidance, we have developed a new strategic framework. This enables all our staff, wherever they are serving, to understand how their contribution fits into the FCO's overall purpose of improving the prosperity and security of the British people. We've sought to sum this up in our new mission statement: Better World, Better Britain.

A key part of the FCO's role is to serve the citizen overseas. Over the last year our consular staff gave assistance to some 35,000 British people in difficulty or distress around the world. Our visa service – for foreign nationals wishing to come to this country – is world class. UK Trade & Investment (UKTI) helped keep the UK the number one inward investment destination in Europe.

On foreign policy, FCO staff in the UK and in our global network of posts have responded to crises such as the upheavals in Burma, Pakistan and Kenya. They have worked in dangerous conditions helping to bring stability in Afghanistan and Iraq. They have lobbied and negotiated to reduce tensions in the Middle East and to secure the release of hostages. The FCO has worked with other Whitehall departments to counter terrorism, halt nuclear proliferation, campaign for climate change and tackle inequalities and poor governance in many countries. Some of the highlights are set out on page 20 of this report.

The FCO is becoming a more modern, flexible and efficient organisation. To make the most of the talents of all our staff we have introduced a new Strategic Workforce Plan. We have improved business planning and updated our finance function. We are introducing a new IT system that will enable us to work more flexibly in future.



The Foreign Secretary, David Miliband, refers in his Foreword to our new strategic framework. This is set out on page 15 of this report. One benefit of developing this has been a new focus on how the FCO works with other Whitehall departments. Our Ambassadors and their staff are there to deliver the overseas priorities of all government departments. In some areas, we have agreed new partnerships with Whitehall colleagues who will take on a greater leadership role on the international aspects of policies on which they lead domestically. These arrangements are set out on page 86 of this report.

We are now aligning our resources with these priorities, and shifting a number of staff within our global network to the areas of the world where they are needed the most. We will not be closing posts as part of this exercise: we are determined to maintain global reach.

Since the new strategic framework will be the organising principle for the FCO's work in the coming years, this year's Departmental Report follows the structure of our new Departmental Strategic Objectives in reporting the activities of the FCO for the past year.

FCO ministers and the Board have worked closely with our staff and stakeholders in producing our new strategic framework. This has been a rigorous process, and a healthy one for the organisation. We now have a clearer focus, a resource settlement for the next three years, and revitalised partnerships with other departments in Whitehall. Our big task now is to deliver the objectives ministers have set. I'm confident the modernising FCO is in good shape to do so.

A handwritten signature in blue ink, which appears to read 'Peter Ricketts'.

**Peter Ricketts**  
**Permanent Under-Secretary**

# FCO ministers and FCO Board



## Rt Hon David Miliband MP

Secretary of State for Foreign & Commonwealth Affairs

### Responsibilities:

- overall responsibility for the work of the FCO
- policy planning and research analysts
- communications
- honours and Whitehall Liaison Department.



## Rt Hon Lord Malloch-Brown

Minister for Africa, Asia and the UN, attending Cabinet

### Responsibilities:

- FCO business in the House of Lords
- Asia – Afghanistan, the sub-continent & the Far East
- Africa
- United Nations
- human rights
- conflict issues
- global and economic issues, including climate change & energy
- Commonwealth and chairs the ministerial oversight board for FCO Services.



## Lord Jones

Minister of State for Trade and Investment

Joint minister with the Department for Business, Enterprise & Regulatory Reform (BERR).



## Dr Kim Howells MP

Minister of State

### Responsibilities:

- Middle East (including Iraq and Iran)
- counter-terrorism
- counter-proliferation
- South & North America
- UKvisas
- migration policy and leads on Afghanistan & sub-continent issues in the House of Commons.



## Jim Murphy MP

Minister for Europe

### Responsibilities:

- European Union and Europe
- Russia, South Caucasus, central Asia
- Balkans
- Ukraine, Belarus and Moldova
- OSCE & Council of Europe
- NATO and
- Public Diplomacy Board.



## Meg Munn MP

Parliamentary Under-Secretary of State

### Responsibilities:

- Overseas Territories
- the Caribbean & central America
- South-East Asia
- consular policy
- UKTI in the House of Commons and
- leads on Africa & Asia issues in the House of Commons.



**Peter Ricketts**  
Permanent Under-Secretary  
(Chairman)

**The FCO's joint departments**



UK Trade & Investment (UKTI) brings together the work of the FCO and Department for Business Enterprise and Regulatory Reform (BERR) on international trade and investment. UKTI leads within Government on delivering trade development and inward investment services for business.



Up to the end of March 2008, UKVisas was run jointly by the FCO and the Home Office. On 1 April 2008 it will merge with the Border and Immigration Agency (BIA) and the border work of HM Revenue & Customs to become the UK Border Agency (UKBA). UKBA is responsible for the UK's overseas visa operation.



**Mark Lyall Grant**  
Director General  
Political



**Mariot Leslie**  
Director General  
Defence & Intelligence



**Andrew Cahn**  
Chief Executive UK  
Trade & Investment



**Simon Fraser**  
Director General Europe  
& Globalisation



**Keith Luck**  
Director General  
Finance



**James Bevan**  
Director General  
Change & Delivery



**Tony Mather**  
Chief Information  
Officer

**Non-Executive members:**



**Alison Platt**  
Director, BUPA Hospitals



**Alistair Johnston**  
Vice Chairman,  
KPMG UK

**FCO-funded organisations**



BBC World Service is funded by FCO grant-in-aid. It is the leading international broadcaster on radio, TV and online. The network of correspondents provides impartial news, reports and analysis in 33 languages from locations around the world.



The British Council is funded by FCO grant-in-aid. It builds relationships between the UK and other countries that are mutually beneficial, and increases appreciation of the UK's creative ideas and achievements around the world.



Wilton Park is an academically independent executive agency of the FCO. It brings together decision-makers and opinion-formers from around the world to address the most pressing global issues.

## The FCO's work in context

We live in an increasingly inter-connected world. Britain has always been an outward-facing nation with international interests and responsibilities, and extensive overseas trade and investments. But the pace and scope of globalisation means that, across an ever-increasing range of activity, the well-being of people in the UK is directly affected by what happens elsewhere in the world.

The FCO has a key role to play in making sure that the Government:

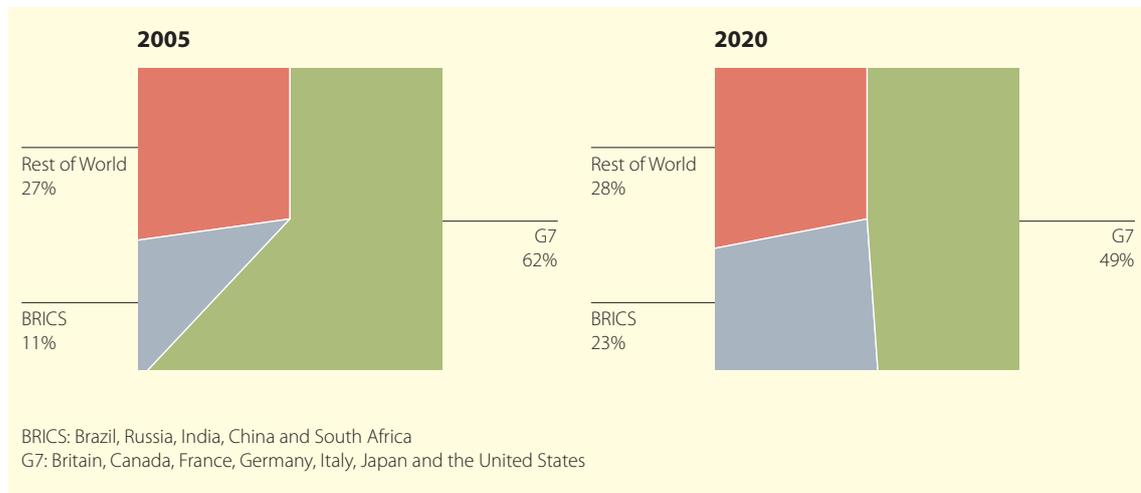
- fully understands these trends
- is able to influence them
- manages the risks and
- harnesses the opportunities.

We are also actively involved with the much wider range of those with an interest in foreign policy and international developments, from business to religious groups, non-governmental organisations and international citizens. Globalisation is dispersing power towards these groups.

### **Globalisation brings opportunity and risk**

As trade, capital, people, information and culture become more globally mobile, this opens up significant markets for British goods and services. It also speeds up technological progress and creates commercial opportunities in developing countries, which will lift millions of people out of absolute poverty. By 2030 it is estimated that 90% of the world's labour force will live in the developing world, with China and India together accounting for 40%. China is likely to be the world's second largest economy by 2020, with India as the sixth largest. These economic trends are shifting the global balance of power towards Asia. The growth of emerging economies opens markets for strong, competitive companies, while consumers benefit from cheaper manufactured goods and services.

**The emerging economies’ share of the global economy will double between 2005 and 2020**

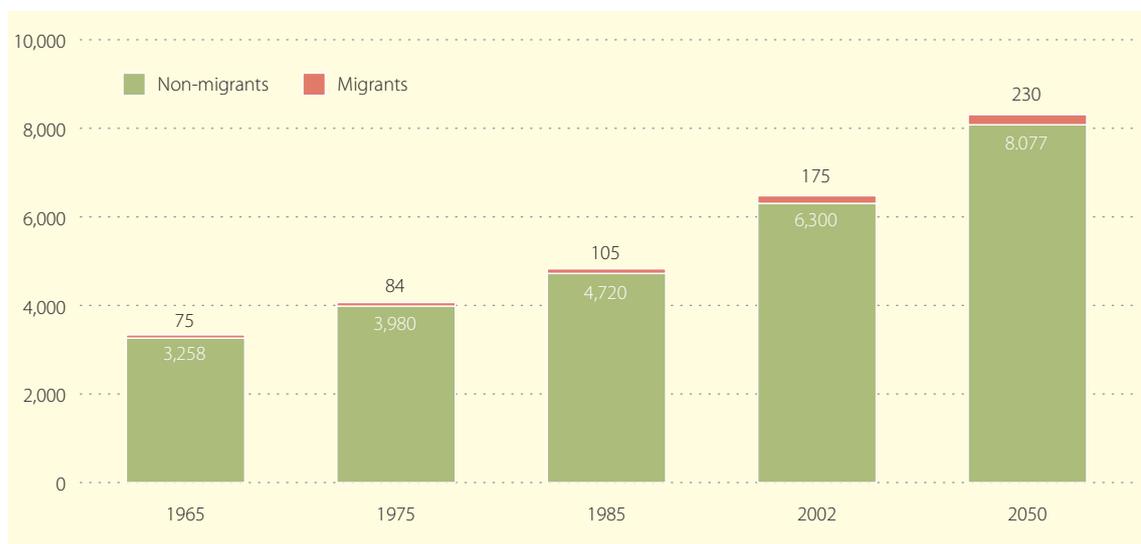


However, these emerging economies have increased competition within the global economy, raising the risks of a protectionist response (that is, governments adopting measures to protect home industries). Rapid growth can also lead to inequality within and between countries. Globalisation has also made the trafficking of drugs, people and arms possible, and made it easier for criminals and terrorists to move across borders. Recent events have shown how financial instability can rapidly spread from one region of the world to another. As we have seen, problems starting in the US sub-prime mortgage market led to difficulties in lending between banks across the world. This episode has highlighted the challenges that interconnected financial markets bring for those markets and regulatory authorities across the world.

**Continued population growth fuels migratory pressures**

The world’s population continues to grow at a fast pace. The global population is expected to increase from 6.5 billion in 2005 to 7.7 billion in 2020 and then to 9.1 billion in 2050. In the period to 2020, 38% of this growth to 2020 is expected to be in Africa, with rapid growth also expected in the Middle East. The challenge is that the countries experiencing the most significant growth are also those least likely to cope with the corresponding pressures on land, resources and services. By contrast, parts of Europe and East Asia are already seeing declining populations, and the social and financial pressures this brings on their economies.

**Increase in world population from 1965 to 2050 (millions)**



Alongside changes in population numbers, there is a trend towards increased urbanisation (in other words, living in towns and cities). Most of the African population growth will occur in urban areas, doubling the urban African population to more than 700 million by 2030. By 2015 five of the six largest cities in the world will be in Asia, India and Latin America. The UN expects the number of people living in urban slums to double to 1.8 billion by 2030. In sub-Saharan Africa, urban population growth could lead to an increase in the number of people living in absolute poverty.

Such population growth is increasing pressures for migration. This presents opportunities for countries like the UK to attract highly skilled workers, who can help support an increasingly ageing population and contribute to social and cultural vitality. However, migration needs to be managed to maximise its benefits and minimise the risks. Britain also has a high number of people migrating abroad, which contributes to our role as a 'global hub' for the world economy.

### **Terrorism, WMD proliferation and conflict pose major challenges**

The UK faces a serious and sustained threat from violent extremists, claiming to act in the name of Islam. Our task is to undermine their appeal and to strengthen our – and our partners' – abilities to disrupt their networks and protect the UK's interests overseas from attack. Terrorist groups continue to try and acquire weapons of mass destruction (WMD), which reinforces the need to strengthen international efforts to prevent this.

While the overall number of conflicts has declined since the end of the Cold War, conflict, particularly within states, continues to threaten development and contributes to wider global instability.

### **Environmental pressures demand growth in alternative energy**

Environmentally speaking, the world is living beyond its means. Climate change is accelerating, affecting global wealth and security and this directly affects British interests. The Stern Report<sup>1</sup> suggests that if the effects of climate change are not reduced, climate change will cost the equivalent of a 5 to 20% reduction in global consumption per person by 2100. Developing countries are expected to be affected most rapidly and with more devastating results. Drought, flooding, higher instances of disease and a serious loss of food productivity are predicted.

Environmental damage also continues, with significant destruction of forests and a decline in biodiversity (diversity of plant and animal life) taking place in developing countries. The global demand for energy is expected to be 53% higher in 2030 than it was in 2004, largely due to growth in emerging economies. The UK will become increasingly dependent on energy imports as our domestic supplies run out. This means we will have to manage risks from:

- higher and more volatile energy prices
- potential disruptions to supplies due to disputes, accidents or sabotage and
- nations using energy as a bargaining tool in negotiations.

The UK's increasing dependence on energy imports also means that we have to invest in carbon markets and other energy technology (for example, wind farms and water power).

<sup>1</sup> The Chancellor announced on 19 July 2005 that he had asked Sir Nicholas Stern to lead a major review of the economics of climate change, to understand more comprehensively the nature of the economic challenges and how they can be met, in the UK and globally. See [www.hm-treasury.gov.uk/independent\\_reviews/stern\\_review\\_economics\\_climate\\_change/sternreview\\_index.cfm](http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/sternreview_index.cfm)

### Technological advances create new international networks

Technological innovation and the spread of technology across the globe continue to drive significant changes, such as increasing prosperity, allowing information to be shared across continents and helping us to tackle disease and food shortages. Biotechnology (such as the genetic engineering of micro-organisms) and nanotechnology (such as molecular engineering) are key future advances that could transform living conditions for all of us. The spread of information and communications technology is already helping to transform developing countries, by linking them to the rest of the global economy.

Technological advances have enabled people across the globe to connect and communicate with a range of international networks, sharing ideas and socialising. For example, the number of internet users worldwide has risen from 16 million in 1995, to 1.173 billion in mid-2007, and is expected to reach the two billion mark by 2011. These exchanges strengthen the ability of civil society and individual citizens to participate in debate and policy formulation.

As a result of these developments, events that happen abroad have a more direct impact than ever before on the lives of people in the UK. There are exciting new opportunities to tackle global challenges and for collaboration on technological advances. However, technological change also brings risks. As the world becomes more reliant on complex technological systems, it also becomes more vulnerable to criminal and terrorist groups exploiting the flows of information.

Global mobility makes the FCO's consular work all the more important. The number of people travelling on long-haul flights to and from UK airports has grown from 32 million in 1996 to 47 million in 2006. The UK has the third highest

number of outward travellers of any country in the world. Our citizens are travelling abroad in greater numbers, and they are also going to more difficult and dangerous places. Our staff are helping more people every year who are the victims of crime, accidents or natural disasters.

The issues outlined here represent just some of the general trends that are affecting the UK's interests at home and overseas. The FCO is itself changing so that we reflect these trends in our priorities and resources.

### Better World, Better Britain: the FCO's new strategic framework

When David Miliband took over as Foreign Secretary in June 2007, he set in hand a review of the FCO's strategic priorities. This began with his first speech, on 19 July 2007 at Chatham House,<sup>2</sup> where he invited staff and stakeholders to consider the key issues on which the FCO should focus and where the FCO could add the most value.

The review drew on the views of external experts from academia, non-governmental organisations and businesses. FCO staff across the network, along with partners across Government, also contributed to the debate.

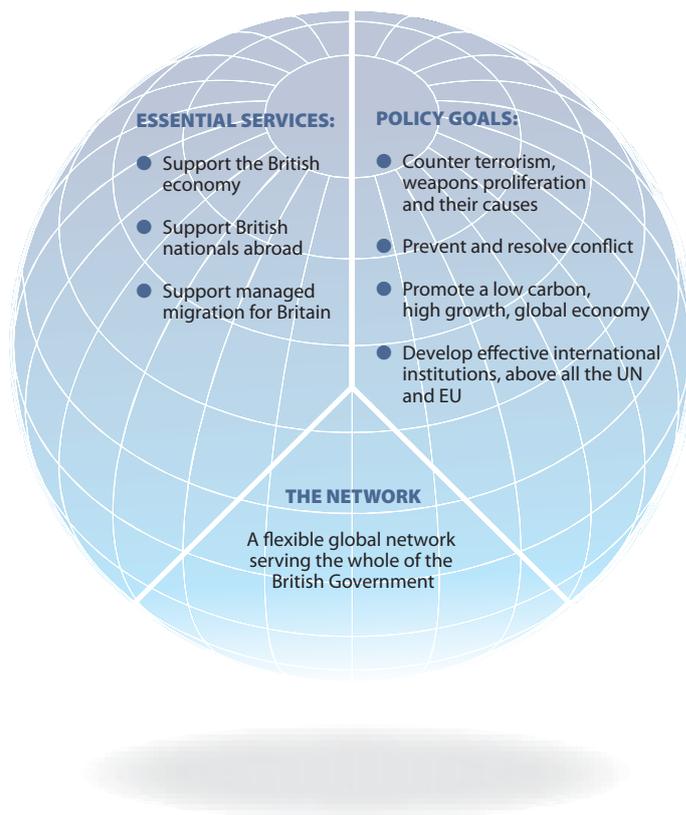
This review complemented work already under way to respond to the results of the FCO's *Capability Review* in March 2007,<sup>3</sup> and the outcome of the 2008/11 Comprehensive Spending Review.

One of the key messages of these discussions was the conclusion that the existing framework of ten international strategic priorities (see annex A) was no longer appropriate. This framework had first been set out in the 2003 white paper *Active Diplomacy for a Changing World*.<sup>4</sup> Although the framework had been useful in helping the FCO plan its work and allocate its resources, there was agreement that we needed a new framework to drive our work forward.

2 See [www.fco.gov.uk/en/newsroom/latest-news/?view=Speech&id=1892864](http://www.fco.gov.uk/en/newsroom/latest-news/?view=Speech&id=1892864)

3 Cabinet Office, *Capability Review* of the Foreign & Commonwealth Office, March 2007: [www.civilservice.gov.uk/documents/capability/pdf/Capability\\_Review\\_FCO.pdf](http://www.civilservice.gov.uk/documents/capability/pdf/Capability_Review_FCO.pdf)

4 See [www.fco.gov.uk/en/about-the-fco/what-we-do/funding-programmes/public-diplomacy/](http://www.fco.gov.uk/en/about-the-fco/what-we-do/funding-programmes/public-diplomacy/)



The new strategic framework consists of three core elements.

1. A flexible **global network** of staff and offices, serving the whole of the British Government.

This is a national asset that allows Britain to operate effectively across the world. Our network of 260 posts in 145 countries not only delivers on our traditional foreign policy agenda, but also on the enormous range of economic, social and security issues that affect British citizens and businesses abroad. This network is also responsible for the security and good governance of the Overseas Territories (see feature on page 30).

2. Three **essential services** which:
  - support the British economy
  - support British nationals abroad and
  - support managed migration for Britain.

We deliver these services through UK Trade & Investment (UKTI), UKvisas, our consular teams and the Borders and Immigration Agency (BIA).

3. Four **policy goals**, to:
  - counter terrorism and weapons proliferation, and their causes
  - prevent and resolve conflict
  - promote a low carbon, high growth global economy and
  - develop effective international institutions, in particular the UN and the EU.

These are the FCO's priorities in advancing the UK's foreign policy, through which we aim to shape the international agenda, to protect our citizens, promote our economy, and spread our values. The FCO's embassies abroad also have an important role in working on behalf of all government departments to deliver their objectives abroad.

Together these elements provide our new set of **Departmental Strategic Objectives**, agreed with HM Treasury. These are the basis on which the FCO – like all government departments – receives its funding from the taxpayer, and against which its performance is judged.

# Global Distribution of D



Supplied by FCO Maps and Geographical Information S

Users should note that this map has been designed for briefing purposes only and it should not be considered an authority on the delimitation of international boundaries. Maps produced for the FCO Library Map Service are not to be taken as necessarily representing the views of the FCO.

# Diplomatic Posts



### NON-RESIDENT ACCREDITATIONS

POST NAME	ADMIN. POST	COUNTRY NAME	POST NAME	ADMIN. POST
	Madrid	Lesotho	Maseru	Pretoria
	Bridgetown	Liberia	Monrovia	Freetown
Nassau	Jamaica	Liechtenstein	Vaduz	Berne
Cotonou	Nigeria	Madagascar	Antananarivo	Port Louis
Ouagadougou	Accra	Maldives	Male	Colombo
Buyumbura	Kigali	Mali	Bamako	Dakar
Praia	Dakar	Marshall Islands	Majuro	Suva
Bangui	Yaounde	Mauritania	Nouakchott	Rabat
Ndjamena	Yaounde	Micronesia	Pohnpei	Suva
Moroni	Port Louis	Monaco	Marseille	Marseille
Brzazaville	Kinshasa	Nauru	Managua	San Jose
Djibouti	Addis Ababa	Nicaragua	Niamey	Accra
Roseau	Bridgetown	Niger	Koror	Suva
San Salvador	Guatemala City	Palau	Asuncion	Buenos Aires
Malabo	Yaounde	Paraguay	Oporto	Lisbon
Libreville	Yaounde	Portugal	Apia	Wellington
St Georges	Bridgetown	Samoa	San Marino	Luanda
Port-au-Prince	Santo Domingo	Sao Tome & Principe	St Kitts & Nevis	Bridgetown
Tegucigalpa	Accra	Surinam	Paramaribo	Georgetown
Abidjan	Accra	Swaziland	Mbabane	Pretoria
Tarawa	Suva	Togo	Lome	Accra
Bishkek	Almaty	Tuvalu	Funafuti	Suva
Vientiane	Bangkok			

### LEGEND

- ★ Embassy
- Consulate General
- ▲ High Commission
- ▲ Deputy High Commission
- Consulate
- British Trade Office
- British Embassy Office
- British Liaison Office
- UK Overseas Territories:-
- G Governor
- A Administrator
- C Commissioner

Note: Missions and Delegations (e.g. UKM is New York), Unmanned Posts, Honorary Consulate-Generals and Honorary Consulates are not shown.

# **Global Distribution of Diplomatic Posts**



# Executive summary: highlights of the year

The FCO, in the UK and through its network of 260 posts worldwide, was active in lobbying on, influencing and negotiating a huge range of international issues, while providing services to British citizens and business abroad. A selection of the year's highlights are set out below.

## The Global Network

### A flexible global network serving the whole of the British Government

- The FCO's network of posts worked on behalf of all government departments. We were involved in securing the agreement on the Bali road map on **climate change**. Posts also played a key role in delivering the UK's **counter-terrorism** strategy in countries like Pakistan, and the Government's **migration** strategy in Asia, the Americas and Africa.
- The FCO has started to **shift resources** (people and money) from Europe to the Middle East, Asia and parts of Africa to reflect the Government's changing priorities.

## Essential services

### Support the British economy

- UKTI, the joint FCO and BERR department, co-ordinated the Prime Minister's visit to China and India in January 2008, during which a new \$60 billion **trade target with China** and £10 billion worth of **future contracts with India** were announced.
- Latest UKTI figures showed that more than 7,500 companies improved their performance as a result of UKTI support, generating around £2.5 billion.
- The UK maintained its position as the number one inward investment destination in Europe through the 1,400 **inward investments** into the UK.
- UKTI launched **new marketing strategies** for four priority sectors (information and communication technology, life sciences, energy technologies and creative industries), which aim to place the UK as the leading international partner of choice in these fields.



FCO staff on a non combatant evacuation training exercise held on the south coast of England, April 2007

### Support British nationals abroad

- The FCO helped nearly 35,000 **British nationals in serious distress** abroad. In a typical week in Thailand, we dealt with five deaths, one rape, three arrests, one assault, one hospitalisation, one missing person report and 29 lost passports.
- The FCO sent rapid deployment teams to help British nationals caught up in five **crises** around the world, including Hurricanes Dean and Felix in the Caribbean and plane crashes in Cameroon and Thailand.
- Our '**Know Before You Go**' campaign<sup>5</sup> won a Travel Advertising Industry Award and received two nominations for the European Public Relations Awards.
- During political unrest in Pakistan and Kenya, our online **travel advice** and a phone line helped tens of thousands of people to make decisions about their travel plans.

- The FCO played a key role in passing the Forced Marriage (Civil Protection) Act and hosted a major EU conference on **forced marriages**.

### Support managed migration for Britain

- In June 2007, the FCO launched *Managing Global Migration*,<sup>6</sup> the Government's new international **migration strategy** with the Border and Immigration Agency (BIA). From 1 April 2008, the BIA will become the UK Border Agency.
- Our close co-operation with the BIA meant the Government exceeded its target of returning 4,000 **foreign prisoners** to their countries of origin.
- The FCO and BIA successfully concluded an agreement with China on the return of **Chinese nationals** illegally in the UK.

<sup>5</sup> See [www.fco.gov.uk/en/travelling-and-living-overseas/about-kbyg-campaign](http://www.fco.gov.uk/en/travelling-and-living-overseas/about-kbyg-campaign)

<sup>6</sup> See [www.bia.homeoffice.gov.uk/sitecontent/documents/managingourborders/internationalstrategy/internationalstrategy.pdf?view=Binary](http://www.bia.homeoffice.gov.uk/sitecontent/documents/managingourborders/internationalstrategy/internationalstrategy.pdf?view=Binary)

- The FCO supported 48 projects globally as part of the **Migration Fund**. In 2007 we reached agreement with BIA and the Department for International Development (DfID) on a new and expanded trilateral Returns and Reintegration Fund for 2008/09.
- During 2007 the FCO contributed to 62 of BIA's country of origin reports, which provide a basis for determining asylum claims.
- A **new points-based system** started to manage the entry of people who want to work or study in the UK (this system is being rolled out globally in 2008/09).
- UKvisas, our joint operation with the Home Office, completed the global introduction of **biometric data collection**, under budget and ahead of schedule.
- The FCO created a new network of **migration officers** in key priority countries to deliver the Government's objective of returning to their country of origin those immigrants who have been convicted of criminal offences and to deliver other objectives.
- The FCO worked closely with the other E3+3 countries (UK, France and Germany, plus the USA, Russia and China) and the UN Security Council to agree a further sanctions resolution (UNSCR 1803) on 3 March 2008.
- The FCO helped make further progress towards an **Arms Trade Treaty**, with detailed multilateral discussions starting in February 2008.
- The then Foreign Secretary, Margaret Beckett, set out a renewed vision of a world free from **nuclear weapons** in a keynote speech in Washington.
- In 2007 the UK provided £3.25 million worth of funding to more than 20 projects to support multilateral efforts to stop the proliferation and illegal spread of small arms and light weapons.

## Policy goals

### Counter terrorism, weapons proliferation and their causes

- Significant **additional resources** were allocated to countering terrorism and weapons proliferation – a top FCO priority – as part of the Comprehensive Spending Review settlement.
- A visit by a delegation of British Muslims to **Sudan** led to an FCO-supported fundraising concert called 'Muslim Live 8 for Darfur'.
- The FCO worked intensively to secure the release of BBC reporter **Alan Johnston** after 114 days of captivity in Gaza, and of the 15 Royal Navy personnel detained in Iran.
- The FCO successfully negotiated the return to the UK of three former UK residents held at **Guantanamo Bay**.
- In **Burma, Zimbabwe and Kenya**, local FCO staff and across the network worked with international partners to provide political solutions to the crises and to avert future conflicts. We have used diplomatic contacts and targeted governance projects to support civil society and promote **political reform**.
- In the Middle East, the FCO supported the **Annapolis negotiations** and tackled Palestinian humanitarian, economic and security issues.
- In **Afghanistan**, we nearly doubled the number of our staff working in Kabul and Lashkar Gar. With the team in London (also nearly doubled in size), they continued to play a leading role in the Government's comprehensive strategy to improve Afghanistan's capacity to govern itself effectively and to improve reconstruction and development efforts.
- In **Kosovo**, the FCO and our staff in the region focused on supporting the international process to resolve Kosovo's political status, and since the declaration of independence have continued to work with the UN, EU and NATO to encourage stability in Kosovo and the region.

- In **Iraq**, the embassy in Baghdad and consulate in Basra worked with Iraqis to take responsibility for their governance, leading to the UK handing over security responsibility for Basra in December 2007.
- On **Darfur**, the UK Mission to the UN led international efforts to adopt UNSCR 1769 which led to the deployment of a joint UN and African Union peacekeeping force. On the ground in Khartoum and in Darfur we have kept up the pressure on all parties for a ceasefire and political solution.

### Promote a low carbon, high growth global economy

- The FCO's global network has campaigned to raise global awareness of the urgent **climate change** challenge, and we played a key role at the **UN conference in Bali** in December 2007, by helping launch detailed negotiations towards a framework to reduce greenhouse gas emissions from 2012<sup>7</sup> onwards.
- The FCO promoted and secured the first ever **UN Security Council debate** on the issue. At the **G8** summit, our contribution achieved major progress on action to tackle climate change. And it was our activity that prompted the EU towards introducing ambitious climate change and energy goals, and helped launch negotiations on a global climate deal for 2012 onwards.
- The FCO worked internationally to build support for the Prime Minister's Millennium Development Goal 'Call to Action' initiative,<sup>8</sup> aimed at creating a new partnership that goes beyond governments to end **global poverty**.
- The FCO helped reach the agreement to raise the status of the **UK-China** high-level economic and financial dialogue. This will be led in 2008 by the UK's Chancellor and the Chinese Vice President.

### Develop effective international institutions, in particular the UN and EU

- The FCO was centrally involved in the negotiation of the **Lisbon Treaty** and the preparations for its passage through parliament. This Treaty provides the EU with a more stable and lasting institutional framework, which allows nation states to respond effectively to the challenges of globalisation, and to deliver on key issues such as employment, growth, security, the environment and foreign policy.
- The FCO played a key role in creating a system of scrutiny within the **UN Human Rights Council** for every UN member.
- The FCO helped create a new UN special rapporteur to consider modern **slavery issues** and make sure that a UN General Assembly resolution on the **death penalty** calling for a worldwide moratorium is adopted.
- The FCO helped to achieve a more targeted **UN budget** and to set up a new body to audit the UN, which delivers more effective quality, oversight and value for money.
- In 2007/08 the FCO funded the involvement of around 300 UK election observers in support of OSCE **election observation**.
- At the **Commonwealth Heads of Government Meeting** in November 2007, the FCO helped secure mandates on climate change, Millennium Development Goals, human rights and reform of international institutions.
- The FCO worked to make sure that the **Council of Europe** remained focused on the promotion and protection of human rights. Conventions dealing with child protection, human trafficking and terrorism came into force.
- The FCO was at the heart of efforts to make sure that **human rights** are protected and those guilty of crimes against humanity called to account. In January 2008 the Special Court for Sierra Leone started to hear evidence in the trial of former Liberian President Charles Taylor.

<sup>7</sup> The Kyoto protocol's emissions targets expire in 2012.

<sup>8</sup> See [www.dfid.gov.uk/mdg/default.asp](http://www.dfid.gov.uk/mdg/default.asp)

# 01



# Part 1: Progress on our priorities

- A flexible global network serving the whole of the British Government
- Support the British economy
- Support British nationals abroad
- Support managed migration for Britain
- Counter terrorism, weapons proliferation and their causes
- Prevent and resolve conflict
- Promote a low carbon, high growth global economy
- Develop effective international institutions, above all the UN and EU
- How the new strategic framework relates to our Public Service Agreements
- New partnerships across Government

# The Global Network

## A flexible global network serving the whole of the British Government

### Transforming the network

Through the FCO, the UK has a local presence in 145 countries across the world. The FCO's 260 posts, whose locations are shown on a map on page 19, include:

- 140 embassies and high commissions in capital cities
- 100 consulates and posts located outside capital cities
- Ten permanent missions to multilateral organisations (for example the EU and the UN) and
- Ten governors in our Overseas Territories.

We took the opportunity during the review of our strategy (see page 15) to take stock of the role and shape of the FCO's network. This included extensive discussions with other government departments that use our network for delivering their objectives.

Our main conclusions were as follows:

- The FCO should be committed to maintaining a global network of posts: we make our greatest contribution by operating worldwide, often in difficult and dangerous places.

- The role of an overseas mission has changed: our network now acts as a platform for the whole of Government.
- Our current worldwide staffing distribution does not reflect our new priorities.

In fulfilling our commitment to maintain a flexible global network that serves the whole of Government we will do the following:

- Maintain our ability to operate globally (although some posts may close and new ones open to make sure our network continues to meet demand).
- As well as the FCO's priority work, our heads of mission and their staff around the world will carry out work for other government departments on all the major issues affecting Britain.
- Partners across Government will continue to put their own resources (staff and money) into our posts to support their operations overseas.

Over the next year, we will change the staffing of our network to reflect priorities and the Government's future needs.



**Posts in Berne, Hamilton and San Francisco took part in a pilot on flexible working using unclassified technology. In Berne, Ambassador Simon Featherstone emails a report to London outside the Parliament.**

This means there will be an increase in FCO policy staff in Asia, the Middle East and parts of Africa. This increase will be funded by a reduction of our staff in European bilateral posts where the FCO and the UK Government can operate in a variety of ways, including using better communication and IT systems, and working directly with capitals from London and Brussels.

### **FCO platform for Government**

Throughout this report, there are many examples of the close working relationship between the FCO and the rest of Government. Overseas, we provide a platform from which all of the Government can operate, supporting home departments in tackling some of the key issues affecting Britain today.

### **Counter-terrorism**

The Government maintains a diverse and flexible global network dedicated to delivering the UK's counter-terrorism strategy overseas (see also page 55). Staff from a wide range of government departments work together at our embassies around the world to reduce the risk to the UK from international terrorism.

Staff at our High Commission in Islamabad, for example, are drawn from departments and agencies as varied as the Home Office, the Metropolitan Police, the Department for Transport, the Ministry of Defence (MoD) and DfID. All work closely on a range of different activities aimed at countering terrorism and radicalisation, including:

- working with the host government to build the capacity of local law enforcement agencies to tackle terrorism
- helping to improve security at airports and ports
- working to reduce the causes of radicalisation (for example by improving access to education and employment opportunities) and
- supporting the host government in its efforts to disrupt terrorist groups' access to financing.

### Climate change

The FCO, both in London and overseas, built new working relationships, and worked with partners across Government to spread the influence of the Stern Report<sup>9</sup> globally. One example is the work we have done to support regional studies on the economic impacts of climate change – for example in Brazil, Mexico and South-East Asia.

These studies are crucial in helping countries and regions to identify the costs of climate change and assess their policy options. Without these studies, policy-makers would not have enough information to judge the urgency of action on climate change.

Our key partners across Government for this work include DfID, the Department for Environment, Food and Rural Affairs (DEFRA) and the Office of Climate Change (OCC). The FCO has contributed local contacts and expertise and in most cases co-ordinated the process in most cases.

### New agreement

In October 2007 the FCO, together with BIA, secured a new agreement with the Chinese Government on the return of Chinese nationals illegally in the UK.

### Flexibility

The FCO's network needs to remain flexible to allow us to react quickly to new demands and changing priorities. We have been looking at ways in which the FCO can work differently from the traditional physical embassy overseas as the following examples show.

- The 'unclassified embassy' project set up in November 2007 is examining how we can manage our communications and knowledge more flexibly overseas by using unclassified IT systems.
- We created an 'unEmbassy' in Goma in the Democratic Republic of Congo during the humanitarian crisis in that region. This meant arranging, at short notice, for one member of our staff to work from their hotel room. This is likely to be an increasingly common model in future.
- The roll-out of our upgraded corporate IT system Firecrest (see section 109) will give all FCO staff the ability to work more flexibly than ever before.

**Scientists at the Earth Simular Centre in Yokohama explaining the results of the UK-Japan Climate Collaboration project to HRH Prince Andrew and the British Ambassador to Japan, Sir Graham Fry**



### The Global Opportunities Fund

The Global Opportunities Fund (GOF) was set up in 2003, its aim being to bring about change and influence at policy level in support of FCO policy priorities.

In 2007/08 the GOF received a total of £66 million funding and oversaw programmes on:

- Afghan counter-narcotics
- climate change and energy
- counter-terrorism
- drugs and crime
- economic governance
- engaging with the Islamic world
- human rights and migration
- Overseas Territories
- reuniting Europe and
- sustainable development.

The projects included initiatives such as funding community policing in Kenya, improving energy security in the Niger Delta, and promoting the rule of law in China and women's rights in Afghanistan. The GOF also attempts to secure funding from other sources to make its limited resources go further.

Looking ahead, we want to make our projects more ambitious in scope and to focus our efforts on the FCO's new policy priorities. To underline the link between our policy goals and its activity, GOF will be renamed the Strategic Programme Fund from 1 April 2008.

The Global Opportunities Fund annual report 2006/07 is available on our website at: [www.fco.gov.uk/Files/kfile/GOF\\_2006-07.pdf](http://www.fco.gov.uk/Files/kfile/GOF_2006-07.pdf)

A photograph showing a man in a dark uniform and cap leaning over a large, light-colored sniffer dog. The dog is sniffing the side of a dark-colored truck. The scene is outdoors, likely at a vehicle checkpoint in a dry, dusty environment. In the background, there are some buildings and a clear sky.

A sniffer dog and its handler examining a truck at a vehicle checkpoint in Afghanistan

### Overseas Territories (OTs)

The UK's Overseas Territories (OTs) are: Anguilla, Bermuda, the British Antarctic Territory, the British Indian Ocean Territory, the British Virgin Islands, the Cayman Islands, the British Sovereign Base areas on Cyprus, the Falkland Islands, Gibraltar, Montserrat, Pitcairn, St Helena and her Dependencies (Ascension and Tristan da Cunha), South Georgia and the South Sandwich Islands, and the Turks and Caicos Islands.

The FCO local presence is a vital tool for our work with the Overseas Territories. Working in partnership with them, the FCO has continued to lead the Government's drive to promote security and good governance in the UK's OTs.

We have sought to counter threats, strengthen democratic institutions, public services and police forces, and protect the environment (including meeting the challenge of climate change). The FCO has also responded to emergencies and sought to protect the UK from avoidable risk in OTs.



The internal and external security of the OTs continues to be a key focus. In 2007 we worked with the MoD to secure the political and economic well-being of the Falkland Islands 25 years after the Falkland's conflict.

Work continued in the Caribbean OTs on developing criminal justice and financial regulation strategies through dedicated law enforcement, prison reform and financial services advisers.

In Gibraltar, the 2006 Cordoba agreements between the UK, Gibraltar and Spain are improving the quality of life for citizens on both sides of the border.

Constitutions remain the foundation of good governance in the OTs. A new British Virgin Islands constitution came into force in June 2007 and negotiations over a new constitution for the Falklands began in December 2007.

The FCO has also helped build capacity in the public service through its OT Programme Fund, for example, by working with the National School of Government in the Turks and Caicos Islands. By focusing on regional projects we will help spread best practice, for example on criminal justice issues.

Many of the OTs have rich, but delicate, environments that are vulnerable to climate change. The OT Environment Programme (OTEP) has worked to help the OTs carry through environment charters and support environmental management. The OTEP recently funded a public awareness programme about climate change across the OTs. The FCO has also continued to play a key role in Antarctic forums, including on environmental protection.

In 2007 the FCO provided a Commission for the Conservation of Antarctic Marine Living Resources system of inspection training packages for officers aboard the HMS *Endurance*. This improved the UK's ability to protect the Southern Ocean from illegal fishing.

The FCO's ability to respond to emergencies and to minimise their impact has also been much in evidence. When Hurricane Dean threatened the Cayman Islands in August 2007, the need to evacuate 11,000 residents and tourists put our disaster management exercises to the test. In December 2007 the FCO also played a key role when a St Helena registered fishing vessel broke down in heavy sea ice in the Ross Sea off the coast of Antarctica.

Also in December 2007, the FCO co-ordinated a delivery of medicines to Tristan da Cunha, the most remote inhabited island in the world, when the population was hit by a virus.

For more information please see the OT section of the FCO website: [www.fco.gov.uk/ots](http://www.fco.gov.uk/ots)



**Andrew Gurr being sworn in as governor of St Helena, November 2007**

● Performance on this essential service is assessed by PSA 6 (UK Trade & Investment)

see page 159.

## Essential services

# Support the British economy

● *UK Trade & Investment (UKTI) is the government organisation that helps UK-based companies succeed in an increasingly competitive global economy. UKTI also helps overseas companies bring high quality investment to the UK. UKTI offers advice and expertise, contacts, services and support through a network of international specialists across nine English regions, and in British embassies and other diplomatic posts around the world.*

● *"I congratulate UK Trade & Investment for developing this marketing initiative which sets out a clear direction and plan of action to improve marketing of the UK Life Sciences sectors. Business has already been rigorously consulted and I look forward to working together to implement this strategy to ensure we promote our expertise as widely and effectively as possible."*

**Chris Francis, founder and Chief Executive of Cardionetics Ltd, a science-based healthcare company using artificial intelligence techniques to analyse cardiac conditions in real time**

●



**Minister of state for Trade and Investment, Digby Jones, right, shakes hand with Confederation of Indian Industry President Sunil Mittal, at the India-UK CEO Round Table on Climate Change and Corporate Responsibility, in New Delhi, January 2008**

Globalisation is a fact of life. It is altering the way in which the UK does business with the rest of the world. It brings us massive benefits.

New communication technologies and falling transport costs are reducing barriers to trade. The emergence of high growth economies, such as China and India, are providing both challenges and opportunities.

Our prosperity depends increasingly on the performance of UK companies in world markets, and on our success in attracting inward investment. The Government is committed to supporting this through the provision of world class services to exporters and investors. It does this through UK Trade & Investment, a joint department of the FCO and BERR. This is a great example of joined-up government, with staff drawn from both parent departments.

UKTI is committed to helping UK companies, including overseas companies choosing the UK as their global hub, develop their international business, and to providing support for overseas companies who want to invest in the UK.

UKTI's strategy is to:

- transform the way the UK economy is marketed internationally
- improve the effectiveness of Government and business working in partnership and
- focus on the sectors and markets where it can add most value.

The unique market knowledge and network of business and government contacts that our UKTI global network is critical to the support we can provide to UK companies doing business overseas, and to potential investors in the UK.

Since accepting the Prime Minister's invitation to become Minister for Trade and Investment, I have visited 15 overseas markets, including China, India and the USA, and have seen at first hand the excellent job that the UKTI network provides to support trade and investment.

**Digby, Lord Jones of Birmingham**  
**Minister of State for Trade & Investment**

More details of UKTI's progress against its targets and objectives can be found in its own Departmental Annual Report and Accounts, which will be published on the UKTI website<sup>10</sup> in July 2008.

<sup>10</sup> <https://www.uktradeinvest.gov.uk/>

UKTI has the lead role within Government for delivering trade development and inward investment services for business. It is a joint FCO and BERR department and it shares its PSA (Public Service Agreement) target<sup>11</sup> with its parent departments, delivering it on their behalf through staff employed by either the FCO or BERR. Most of those working on delivering UKTI services overseas are FCO staff working in our network of diplomatic posts around the world. Staff working in the UK are drawn mainly from BERR.

UKTI works closely with the Regional Development Agencies (RDAs) in the English regions and with the trade promotion and inward investment organisations of the devolved administrations<sup>12</sup> (DAs). It holds an annual high-level summit with them, along with various working-level meetings throughout the year. UKTI also has strong links with other organisations involved in promoting the UK's success in trade and investment, both in central and local government departments and agencies, and with numerous private sector organisations.

### UKTI's mission and strategy

UKTI is primarily a service delivery organisation. Its mission is to deliver maximum value for the UK economy by facilitating business success in the global economy. It does this by helping UK companies to grow internationally, and by helping overseas companies to bring high quality investment to the UK economy.

UKTI's five-year strategy, *Prosperity in a Changing World*,<sup>13</sup> published in July 2006, signalled a shift in the Government's drive to market the strengths of the UK economy internationally. It confirmed UKTI's lead role for the UK on trade and investment, working in partnership across Government and with business to deliver maximum value, and it focused UKTI's resources on the customers and markets with the greatest potential, where UKTI's services can add most value.

**(L-R) Head of UKTI Korea, Guy Warrington; Senior Defence Manager, Sun Yoon; Defence Attaché, Matthew O'Hanlon; and Deputy Head of UKTI Korea, Gary Soper in Seoul discussing a forthcoming commercial project**



11 See also page 159

12 The devolved administrations (DAs) were set up in 1999 by three acts of Parliament. They comprise the Northern Ireland Assembly, the Scottish Executive and the National Assembly for Wales. Each body is able to legislate on such matters as health, education, industry, agriculture and fisheries. The UK Government remains responsible for international relations in the DAs, including relations with the EU.

13 See <https://www.uktradeinvest.gov.uk/ukti/fileDownload/UKTIstrategyJuly2006.pdf?cid=391741>

UKTI's 2007 Comprehensive Spending Review (CSR) settlement confirmed the targets outlined in the strategy. For each year of the settlement (from April 2008) UKTI will:

- attract high-value foreign direct investment to the UK (with UKTI involved in at least 525 inward investment project successes)
- improve the performance of UK businesses by helping them to grow internationally (UKTI will help at least 20,000 businesses – 12,000 of them innovative companies – to exploit overseas business opportunities with at least 50% of these businesses reporting an improvement in their business performance as a result of UKTI support)
- increase the quantity of research and development (R&D) activity in the UK through business internationalisation (by helping at least 1,000 businesses to increase their R&D activity in the UK) and
- improve the UK's reputation as the international business partner of choice.

In addition, UKTI has a fifth target, which is to improve its operational performance. This target covers the professionalism of its service delivery and the revenue it raises from charging for its services.

Other UKTI targets for the CSR period are to:

- improve the UK's reputation as the international business partner of choice
- increase its professionalism through achieving at least 80% quality and satisfaction ratings from customers using its services and
- increase its revenue from charging for its services.

Together, these targets will deliver 'support for the British economy', one of the three essential services in the FCO's strategic framework, which UKTI will deliver as part of the FCO.

**Trade and Investment Adviser, Rashid Khawaja, (second right) of UKTI Dubai shakes on a deal with Stuart Burdess of Serco. After more than a year of support from UKTI, Hampshire-based Serco won a £500 million contract to run Dubai's fully automated rail system**

### Support for defence exports

In July 2007, the Prime Minister announced that responsibility for defence trade promotion would move from the Defence Export Services Organisation (DESO), a group of the MoD, to UKTI.

An implementation plan was published in December 2007<sup>14</sup> and sets out how UKTI will take over DESO's service delivery functions. UKTI will take over responsibility for defence trade promotion from 1 April 2008.



<sup>14</sup> Available from [www.uktradeinvest.gov.uk](http://www.uktradeinvest.gov.uk)

## Delivering UKTI's strategy

### Marketing

During 2007 in-depth marketing strategies for four priority sectors were developed through extensive consultation with business-sector partners and private sector partners. The sectors are:

- creative industries (launched July 2007)
- life sciences (launched November 2007)
- information and communication technology (launched December 2007) and
- energy technologies (launched December 2007).<sup>15</sup>

These strategies join the financial services strategy launched in October 2006, which covers the City of London and the UK's financial and legal services sectors.<sup>16</sup>

Built on UKTI's key message, launched in March 2007, that the UK is a 'springboard for global growth', these business-led strategies aim to:

- place the UK as the leading partner of choice in developing new business opportunities and global commercial success in each of these areas and
- provide the UK with a unified, compelling message to sell and promote the UK's business and science-based capabilities, clearly and consistently.

The target audience for the strategies includes current and potential buyers of UK goods and services, and international investors.

### Partnership

UKTI has some 300 international trade advisers across the nine English regions, most with private sector backgrounds, plus other specialists seconded to UKTI through interchange programmes.

UKTI also now has a newly enlarged network of 50 private sector specialists, who provide knowledge, expertise and contacts to help UKTI deliver the following four programmes:

- The **High Growth Market Programme** – This is a new activity that draws on UKTI's strategy, and focuses on selected mid-sized UK-based companies, to help them do business in target high growth international markets. Over the 11 months to February 2008, UKTI has helped 116 companies to do business in 17 high growth markets, such as Brazil, China, India and Russia.<sup>17</sup>
- The **Sector Champions Programme** – These are 15 specialists who provide sectoral and technical input for trade and inward investment activities.
- The **Research and Development (R&D) Programme** – This is another new activity with 17 Research and Development (R&D) specialists helping UKTI to target selected overseas R&D-intensive companies, and encouraging them to do more work in the UK. At the end of February 2008, UKTI had reported 71 R&D inward investment successes. UKTI also selects and works with innovative UK-based companies, where trade development will help to boost R&D output, for example by helping a company to understand what adaptations are needed to make a product suitable for a new market.
- The **Global Entrepreneurs Programme** – This existing UKTI programme, focused on inward investors, now forms part of the R&D Programme. It targets key knowledge-based sectors, using a team of nine 'deal-makers' (individuals who are successful entrepreneurs in their business sector). These teams are able to identify and mentor clients, and help them to set up in the UK. At the end of February 2008 this programme had helped 33 businesses in sectors such as healthcare, internet security and alternative energy.

### Focusing on where UKTI makes the most difference

Since UKTI published its five-year strategy, it has moved £5.6 million of its overseas resource into high growth markets that are strategically important to the UK's future economic well-being. Seventeen high growth markets have been identified, and they represent significant opportunities for UK business.

<sup>15</sup> See [www.uktradeinvest.gov.uk/ukti/fileDownload/UKEnergyExcellenceBrochure.pdf?cid=412811](http://www.uktradeinvest.gov.uk/ukti/fileDownload/UKEnergyExcellenceBrochure.pdf?cid=412811)

<sup>16</sup> See [www.uktradeinvest.gov.uk](http://www.uktradeinvest.gov.uk) for more details on the marketing strategies.

<sup>17</sup> Results for 2007/08 for all UKTI services mentioned in this report will be published in UKTI's Annual Report and Accounts, in July 2008.



Consul-general to Sao Paulo, Martin Raven, (left) meets the UK's chief scientific advisor and head of the science and innovation office, Sir David King, one of several meetings/events under the 'UK-Brazil Year of Science and Innovation' umbrella

UKTI's financial commitment includes support for the UK India Business Council and the China-Britain Business Council, both of which aim to increase trade between these countries and the UK. UKTI has also identified specific companies to target for potential high value, good quality inward investment. Together with the sector marketing strategies and the increased use of private sector specialists described above, these are further examples of UKTI's increased focus on activities where it can add most value.

#### UKTI trade and investment services

As well as the services already outlined, UKTI provides a range of other services to businesses, some of which are listed below:

- **Passport to Export** – This provides access to a range of services to help build capabilities in companies new to exporting, to help them prepare to do business internationally for the first time, and to take advantage of available opportunities in their first overseas market. Over the 11 months to February 2008, 1,753 companies had signed up to the programme.
- The **Overseas Market Introduction Service (OMIS)** – This service, for which a charge is made, provides companies with tailored information on markets that are of potential interest to them.
- Almost 5,000 orders were received for OMIS reports over the 11 months to February 2008.
- The **Tradeshow Access Programme** – This service supports companies taking part in overseas exhibitions. It is available to small and medium-sized enterprises (SMEs) new to exporting and to more established exporters attending events in high growth markets. UKTI works with those trade organisations that organise attendance of UK companies at these events. By February 2008 some 3,500 companies had received support from UKTI.

- **A range of sector-specific inward and outward missions** – These inward missions bring groups of buyers and key decision-makers from target markets abroad to visit the UK and show them the UK in action. Outward missions showcase UK expertise in target markets overseas. UKTI also arranges outward and inward VIP visits.
- **The UKTI Enquiry Service** - This is the first point of contact for customers and for dealing with enquiries relating to UKTI's services. Over 2007/08 this service will have dealt with more than 30,000 telephone calls and emails.

### Latest research on the importance of international business

UKTI maintains a research programme to assess the effect of its services on the businesses it supports, and more generally the effects of its services on companies that are involved in international trade. Research published in 2007 showed that some 60% of UK productivity growth during 1996 to 2004 was generated by exporting firms. It also revealed that firms beginning to export boost their productivity by up to a third in the first year. These firms are generally more productive than non-exporters.<sup>18</sup>

### Lessons learned

In February 2008, following a joint review of inward investment promotion activity overseas, UKTI and the RDAs announced an agreement to put in place new arrangements by April 2009.

This review, in which the DAs also took part, found that existing arrangements were generally effective and that efforts by the RDAs and DAs added significant value to UKTI's own efforts to attract investment to the UK. However, it concluded that there was scope to strengthen these arrangements and, as a result, UKTI and the RDAs agreed the following:

- A new model for overseas representation.
- UKTI will lead the co-ordination of a fully integrated overseas network, co-ordinated strategies, business planning, branding and promotional activity. This will involve working alongside the DAs, in line with their own responsibilities for promoting inward investment.
- Performance measures and common evaluation, to provide a clear picture of joint impact.
- Explore the options for achieving better value for money (for example through co-location of teams, and joint procurement).

### Cost benefit analysis

UKTI places strong emphasis on independent scrutiny of its activities. This includes commissioning studies within particular areas of work that UKTI does, and assessing the value for money that this represents for the taxpayer.

In 2006 a firm of independent consultants, SQW, looked at the work of UKTI's international trade advisers in the English regions. Their findings estimate that these services produce a benefit to cost ratio of 25:1.<sup>19</sup> These results compare favourably with the findings of another study published by UKTI in 2006, which showed that an investment of £65 million in four trade development services generated more than £1.1 billion for users of these services – a benefit to cost ratio of almost 17:1.<sup>20</sup>

<sup>19</sup> SQW, *UK Trade & Investment Impact Evaluation of International Trade Teams: A Final Stage 2 Report to UK Trade & Investment*, 2006; see [www.uktradeinvest.gov.uk](http://www.uktradeinvest.gov.uk)

<sup>20</sup> DTI Evaluation Report Series No. 9, *2004-05 Study of the Relative Economic Benefits of UK Trade & Investment Support for Trade & Investment*, Chapter 5, Appendix A. Available on the BERR website at [www.berr.gov.uk](http://www.berr.gov.uk)

### Prime Minister's visit to India and China

The Secretary of State for BERR, John Hutton, the Minister for Trade and Investment, Digby, Lord Jones, and Chief Executive of UKTI, Andrew Cahn, together with 30 top business leaders from the UK, including Sir Richard Branson, accompanied the Prime Minister on his trip to India and China in January 2008.

Business was the central theme for both visits, and UKTI was responsible for organising these aspects of the programme, as well as co-ordinating and developing the trade and investment objectives for the Prime Minister in each market.

In the UK, extensive media coverage of the visit to China focused on the announcement of a new \$60 billion trade target, and agreement with the Chinese Government to showcase UK commercial expertise in environmental industries.

The India leg of the visit provided opportunities for the UK business delegation to meet key Indian decision-makers, including the Prime Minister of India. It was also announced that £10 billion worth of contracts were in the pipeline.

**Chief Executive of UKTI, Andrew Cahn (far left), Prime Minister Gordon Brown, and Sir Richard Branson meeting business leaders in China, January 2008**



● Performance on this essential service is assessed by PSA 9 (Consular performance indicators)

see page 168.

## Support British nationals abroad

● *“The child abduction conference in Dubai in April 2007 proved to be very worthwhile. It enabled Reunite to build links in the United Arab Emirates with the police, the courts and other non-governmental organisations. It also strengthened our working relationship with the FCO consular directorate’s child abduction team, who are doing important work in a very difficult area.”*

**Denise Carter OBE, Director, Reunite**

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(Reunite is a UK charity specialising in cases where children have been abducted and taken abroad by their parent.)

The FCO’s consular services are the part of our work that the public know best. Every year, about nine million people read our travel advice, over 400,000 get passports through our offices overseas, and thousands turn to us for help after suffering crime or illness abroad. Around the world, consular staff are ready to respond not just to individual problems, but to help UK citizens caught up in natural disasters and political unrest. I am proud of the energy and commitment of our nearly 2,000 consular staff. They make a real difference to people at difficult times in their lives.

I am confident that our consular services are amongst the best in the world, supporting the increased travel for leisure and business that helps enrich our society and increase our prosperity. Each year sees new innovations and improvements, which ensure a high quality and responsive service for our customers.

**Meg Munn**  
**Parliamentary Under-Secretary of State**



FCO minister, Meg Munn, speaks at the EU forced marriage conference, hosted by the FCO in London, October 2007

### Supporting British nationals abroad

In 2006/07, the last year for which full figures are available,<sup>21</sup> FCO staff:

- dealt with 2,888,996 enquiries from British nationals
- helped 34,874 people in serious distress<sup>22</sup> (including about 4,500 deaths, 4,000 hospitalisations and 6,500 detentions) and
- issued 416,731 standard British passports, 11,138 emergency passports and 3,279 temporary passports.

In a single week our Thailand Embassy dealt with one rape, five deaths, three arrests, one assault, one hospitalisation, one missing person report, and 29 lost passports.

The FCO supported 164<sup>23</sup> British families affected by new cases of international child abduction. The joint Home Office–FCO Forced Marriage Unit handled over 300 cases, 207 of them overseas.

We steered the Forced Marriage (Civil Protection) Act through Parliament, which will fully come into effect in autumn 2008, and produced *the Survivor's Handbook* and guidelines for social workers on the subject. In October 2007 we hosted a major EU conference, attended by FCO and Home Office ministers, Meg Munn and Vernon Coaker.

In April 2007, the FCO hosted a conference in Dubai on child abduction and forced marriage. The aim of this conference was to raise awareness among consular officers and strengthen contacts with local authorities. Depending on political conditions, we will hold a child abduction conference in Pakistan in 2008, which will bring together British and Pakistani judges, lawyers, police and non-governmental organisations.

There are about 2,500 British nationals in prison abroad at any one time. Nine British prisoners were on with death row as at March 2008 and a further nine face charges that carry the death penalty. The FCO's dedicated human rights lawyer follows these cases closely and we make strong representations against the death penalty.

<sup>21</sup> Data taken from Consular Annual Return 2006/07. All other data relates to 2007/08, unless otherwise stated.

<sup>22</sup> Our statistics for situations of serious distress include deaths overseas, hospitalisations, detentions, forced marriages, child abductions, rapes and other situations requiring a high level of consular support.

<sup>23</sup> As at 26 March 2008.

This year, Kenny Richey was released and returned to his family in Scotland, after 21 years on death row in the USA. In 2007, a British national awaiting trial in Sierra Leone on charges carrying the death penalty was released.

We dealt with the kidnappings of 19 British people in countries including Iraq, Nigeria and Somalia, providing support and information for the families (see Counter-terrorism).

### Responding to crises and planning ahead

The FCO's rapid deployment teams (RDTs) based in London, Hong Kong and the US provide crisis support around the world. This year, they were called into action five times, including to Hurricanes Dean (August 2007) and Felix (September 2007) in the Caribbean, and plane crashes in Cameroon (May 2007) and Thailand (September 2007). The FCO also sent small resilience teams to support posts in the Dominican Republic, where hundreds of British nationals were victims of a viral outbreak (August 2007), and in Kenya following unrest after the elections (January 2008).

Since November 2006 the FCO's crisis centre has provided space and facilities to manage crises from one central point. Staff from around the FCO – including consular and political officers – worked together on the unrest in Burma and Kenya, the Phuket air crash and Hurricanes Dean and Felix.

This year, the development of 'triggers matrices' improved our ability to anticipate and handle crises. These matrices basically plot likely political, economic and security developments against the numbers of British nationals travelling to a country.

Our Beijing Embassy – supported by staff in London – has begun preparations for the 2008 Olympics. We expect about 30,000 British nationals to attend. Basing our approach on a comprehensive risk assessment, we are preparing for the Games by working closely with the Chinese and British security authorities and through training and emergency planning exercises.

### Innovating and improving our service

As well as an extensive programme of strategic change (see Change in the FCO in Part 2), we are constantly finding new ways to improve our consular services.

The FCO's Know Before You Go campaign continues to provide up-to-date, clear and accurate travel safety messages to target audiences, and as such has set a high standard for other government information campaigns. At a cost of £80,000 – and in just six months – our TV filler 'Danny'<sup>24</sup> generated over £500,000-worth of coverage on terrestrial and satellite stations.<sup>25</sup>

During the year, nearly nine million people read FCO online travel advice.<sup>26</sup> In times of crisis, for example in Kenya and Pakistan, we continually update travel advice several times a day, providing essential and reliable information.

This year we continued to find new ways of communicating our messages. We:

- won a Travel Advertising Industry Award for our TV filler 'Options'<sup>27</sup>, aimed at older travellers, and were nominated for two European Public Relations awards
- placed TV safety messages in 500 major Post Offices with 6.4 million visitors a week<sup>28</sup> and in airports on screensavers with 1.8 million views a year and on big screens with 6 million views a year<sup>29</sup>
- ran 16 campaigns in holiday resorts dealing with issues as varied as rape and sexual assault in the Greek Islands, hurricane awareness in America and planning for retirement in Spain
- produced specialist guides on missing persons abroad and for disabled travellers and
- published a bereavement guide to help people whose friends and relatives die abroad.

24 Available for download at: [www.fco.gov.uk/en/travelling-and-living-overseas/about-kbyg-campaign](http://www.fco.gov.uk/en/travelling-and-living-overseas/about-kbyg-campaign) (Know Before You Go campaign page).

25 Central Office of Information.

26 Travel Advice page usage statistics.

27 Available for download at: [www.fco.gov.uk/travel](http://www.fco.gov.uk/travel) (Know Before You Go campaign page).

28 Post Office

29 Spectrum

As the number of British people living and travelling abroad increases, the FCO's posts are finding new ways to meet demand. In Spain and Portugal, for example, we:

- appointed a consular regional director for the whole of the Iberian Peninsula, as part of the FCO's consular regional director project (see Consular Strategy Programme in Part 2)
- now run all visa and passport work for customers based in Spain and Portugal from Madrid in order to improve efficiency and customer service
- have forged links with non-governmental organisations (NGOs) and partners across the Government (see below) such as Age Concern, the Royal British Legion and the Department for Work and Pensions, providing new support services to resident customers and
- are making it easier for customers to pay for consular services by credit or debit card.

### Working with partners

The FCO works with hundreds of departments, agencies and organisations to deliver the consular services that our customers need.

For example, our consular team works with the police in a wide variety of ways:

- In crises, the police can support the FCO by providing family liaison officers, extra staff to handle telephone calls and disaster victim identification (DVI) experts. We have a new DVI agreement with the police.
- FCO staff attended family liaison training events with Devon and Cornwall Police in September 2007 and with London Metropolitan Police in November 2007.
- We work with Grampian Police to provide information and advice about kidnappings aimed at Scottish oil workers in Nigeria.

The FCO has led a new series of crisis management exercises to improve EU co-operation. The most recent was in Cairo in October 2007. These exercises help our posts in high-risk countries put into practice the recently developed EU lead state framework (this is where one EU state takes the lead during a consular crisis). This will save resources (staff and money) and improve co-ordination.

In October 2007, the FCO held a joint training exercise with the British military to practise evacuating British nationals from a crisis situation. We continue to work closely with the MoD in developing contingency plans for high-risk countries, where an incident may lead to the evacuation of British nationals.

### Passports

The FCO has reduced the risk of identity theft by directing our posts to make sure that all passports reported lost or stolen overseas are registered within one working day. In May 2007 we introduced authentication by interview in priority posts for people applying for a passport for the first time. This draws on existing good practice and is in keeping with new policies being introduced in the UK by the Identity & Passport Service.

The FCO plans to introduce a modified version of authentication by interview to all posts by the end of 2008. Whenever possible, we will make effective use of all our buildings abroad, build internal and commercial partnerships and harness modern technology (for example interviews by video link) so that customers do not have to travel too far for interviews.

### FCO's work on child abduction cases

In August 2007 four-year-old Sara<sup>30</sup> was taken by her mother to Pakistan on what she thought was a holiday. In fact, she was one of many children abducted from the UK every year.

Sara's father asked the FCO to help him get her back. Our child abduction team advised him of his legal options and put him in touch with lawyers in Pakistan. Our high commission in Islamabad helped him keep in touch with the Pakistani police and Interpol. When Sara was found, high commission staff checked her welfare after asking her mother's permission.

Because the UK judiciary signed an agreement with Pakistan in 2003, a Pakistani judge was able to rule that Sara should be sent back to the UK for a custody decision to be made there. The mother would not return Sara's passport so the high commission issued new travel documents and helped with arrangements for Sara's flight home.

Sara's parents have now agreed a custody arrangement in UK courts.

<sup>30</sup> Names and details in this case have been altered to protect the identities of those involved.

Director of Reunite, Denise Carter OBE, addresses participants at the Reunite balloon launch, 29 November 2007, Town Hall Square, Leicester. The event was attended by staff involved in child abduction work from the FCO and the Ministry of Justice, and by parents affected by child abduction



### Lessons learned: crisis response procedures

The FCO's crisis response systems were tested several times this year, including by a plane crash in Phuket, hurricanes in the Caribbean and several overseas football matches.

We responded well and have learned various lessons. The FCO has:

- strengthened its relationship with the police, by clarifying the FCO's responsibilities, improving our response times and providing better briefing to the relevant police force
- improved the shift rosters for call handlers on our emergency response team, so that they can provide a round-the-clock service whenever it is needed
- recognised that putting our staff on the ground in known hurricane areas before the event worked well, and we will use this model for the next hurricane season and
- introduced new guidance on handling individual sporting fixtures overseas (chiefly football matches) which will help us match levels of consular service to

the degree of risk identified for each event and encourage closer working with the Home Office's football policing unit.

**Remote and difficult conditions in Doula, Cameroon, following a plane crash, May 2007**



Celebrity, Charlotte Meares, on the front page of the Daily Mail lifestyle magazine promoting the Know Before You Go Wives And Girlfriends (WAGs) Guide to Travel



### Cost benefit analysis: Know Before You Go wives and girlfriends (WAGs) guide to travel

**Details:** Women aged between 16 and 24 are a key target group for our travel safety messages. Research shows that this group can be resistant to official government advice but take notice of stories about celebrities and personalities who they admire.

So the FCO teamed up with celebrity Charlotte Meares to issue the *WAGs Guide To Travel*.<sup>31</sup> Charlotte's 'top tips' contained important advice for young women on staying safe while having fun abroad.

**Costs:** The campaign cost £2,000.

**Benefits:** The campaign gained wide press coverage and caused a large increase in visits to the FCO's travel advice web pages. This coverage was worth £170,000,<sup>32</sup> which represents a return on the investment of 85:1 (the industry standard is 8:1).

<sup>31</sup> See [www.fco.gov.uk/en/travelling-and-living-overseas](http://www.fco.gov.uk/en/travelling-and-living-overseas)

<sup>32</sup> Figure based on the total media buy value of the volume of coverage achieved if it had to be bought as advertising space.

For more information on our consular and passport change programmes, please see page 104.

### Related weblinks:

Consular services section of FCO website: [www.fco.gov.uk/travel](http://www.fco.gov.uk/travel)

Identity & Passport Service: [www.passport.gov.uk](http://www.passport.gov.uk)



Performance on this policy goal is assessed by PSA 9 (Entry clearance performance indicators)

see page 169.

## Support managed migration for Britain

*"We have established a strong co-operative agenda with the FCO which makes excellent use of each department's skills and expertise and creates a strong cross-government partnership."*

**Lin Homer, Chief Executive of the Border and Immigration Agency (BIA)**

Migration is a huge social and political issue. Since taking over the FCO's migration portfolio in June 2007, I have travelled to several migration hotspots and regularly raise migration issues with my ministerial counterparts. I have seen at first hand the vital role the FCO plays in achieving the Government's wider migration objectives.

The FCO is at the heart of the Government's joined-up approach to migration. In June 2007 the FCO and the Border and Immigration Agency (BIA) launched the Government's new international migration strategy *Managing Global Migration*, which underpins targeted, practical co-operation with key countries as well as activity in international fora.

Subsequently the FCO, BIA and DfID agreed to set up a new, enlarged Returns and Re-integration Fund for 2008/09, which will expand the work we can do overseas.

Managing migration is an essential FCO service, and with the tools and relationships in place, I expect we will make an even bigger contribution to the migration agenda in 2008/09. Similarly, our visa sections will continue their tremendous work to process visas efficiently for genuine applicants.

**Dr Kim Howells  
Minister of State**



**High Commission to Pakistan, Robert Brinkley CMG, demonstrating biometric data collection for local media at the opening of the Islamabad Visa Application Centre, September 2007**

### **Managing migration and stronger borders**

At home and overseas we have been pursuing our objectives on managed migration with foreign governments and other stakeholders. These include developing the new points-based system for entry into the UK. The new system is designed to make it easier for the UK to attract the skills that our economy needs. For all those who want to come to the UK to work or study, and who qualify, the new system will be easier to use.

We have also worked closely with BIA to develop a visa waiver test to decide when we should impose or remove visa requirements for non-European Economic Area countries.

The FCO took part in the Prime Minister's review of UK border arrangements in October 2007 and we will continue to try to make sure that the UK achieves a proper balance on border control – by strengthening our security while welcoming genuine travellers. In November 2007 the Prime Minister announced the creation of the UK Border Agency. From April 2008 this new Home Office agency will take on the work of the Border and Immigration Agency (BIA) and UKvisas, and the border work of HM Revenue & Customs to create this new Home Office agency.

### **Asylum and refugees**

The Government is committed to offering protection to genuine refugees and to increasing its efforts to deter and return those without a legitimate claim. In 2007, using its knowledge of individual countries, the FCO contributed to 62 of BIA's country of origin reports. These reports provide a basis for making decisions about asylum claims.

We also contributed to BIA country assessments for non-suspensive appeals (NSA). These are appeals that can only be made from overseas as the claim is probably unfounded). In July 2007 a further ten countries were added to the NSA list.

The FCO has also provided information to support the Government in asylum and immigration tribunals and in European legal cases. This work should help to improve the speed with which the Government processes asylum claims and help BIA staff and judges distinguish more easily between well-founded claims and bogus claims.

### Enforcement and returns

To manage our immigration system, and maintain confidence in it, we must remove those who have no legal right to remain in the UK. The Prime Minister has set clear targets for returning foreign national prisoners, and there has also been a continued focus on returning more failed asylum seekers than enter the UK.

Effective bilateral and multilateral co-operation on returns is central to delivering the Government's migration objectives. In 2007/08 we:

- supported BIA in exceeding the target of 4,000 for returns of foreign national prisoners
- established an overseas network of (currently 12) migration delivery officers, covering Africa, Asia, the Far East and the Caribbean, to promote compliance with UK migration law and identify sustainable arrangements for returns (these are arrangements that can be kept going over a long period)
- supported BIA in negotiations on new bilateral return and readmission arrangements, and reviews and renewals of memoranda of understanding on returns with a range of countries in Asia, Africa and the Americas
- together with BIA, secured a new agreement with the Chinese Government on the return of Chinese nationals illegally in the UK
- used the Migration Fund (see the feature box on page 49) to finance sustainable arrangements for returns and to reduce illegal migration
- agreed a new joint Returns and Re-integration Fund with BIA and DfID to improve support in this area next year and beyond and
- worked with the International Organization for Migration (IOM) and other key stakeholders on a new assisted voluntary returns programme, better tailored to countries and individuals.

**Home Office Minister of State for Borders and Immigration, Liam Byrne, and FCO Director for Migration, Judith Macgregor, watch a street play examining the dangers of illegal immigration. Chandigarh, India, February 2008**



### International co-operation

The FCO works closely with European partners and the European Commission to strengthen EU activity on migration and promote clear and consistent UK and EU policy. For example, the UK led in supporting a successful first EU mission to Addis Ababa in November 2007, which will lead to the establishment of a new co-operation platform to promote managing migration and related development issues.

We remain involved in the Euromed process. This is a key forum between the EU, North African and Middle Eastern countries, which examines a range of issues, including migration. In November 2007 we succeeded, for the first time, in delivering a joint statement covering action against illegal migration in North Africa and the Mediterranean.

The FCO's co-operation with France and Belgium is central to tackling illegal immigration across the Channel. Our embassies worked closely to strengthen joint controls at the new Eurostar terminals at St Pancras and Ebbsfleet International at the end of 2007.

The FCO co-operates with international organisations and agencies, such as the IOM and UN High Commissioner for Refugees (UNHCR), on migration and we were actively involved in the first Global Forum on Migration and Development,<sup>33</sup> which took place in July 2007. We are working to make sure that this helps states to find co-operative means to manage migration more effectively.

### The Migration Fund

Set up in 2005, the Migration Fund aims to develop sustainable arrangements to return illegal immigrants to their country of origin, discourage illegal migration and raise awareness of ways to visit the UK legally. It finances practical measures taken by countries that do not have the resources to manage migration across their borders effectively.

In 2007/08, the Fund financed 48 projects globally. Examples of how the Fund has made a difference include:

- building capacity to manage migration in West Africa and elsewhere, including providing technical assistance, such as methods for detecting bogus travel documents

- delivering targeted information through regional campaigns in Asian countries, highlighting the dangers of illegal migration and
- helping host governments to fund projects such as reception centres for returnees.

Building on the success of the Migration Fund, from April 2008 the FCO will take the lead in managing the improved and expanded Returns and Re-integration Fund (with our partners BIA and DfID).



UK logo bus in Punjab, promoting compliance with UK migration laws

33 See [www.gfmd-fmmd.org](http://www.gfmd-fmmd.org)

### UKvisas operations

Performance against this essential service is assessed by PSA 9 (Entry clearance performance indicators) – see page 169.

*Approximately three-quarters of the world's population need a visa to come to the UK. During the last year, UKvisas processed over 2.75 million applications and refused around 20% of them. The visa operation is self-funding, and receives no support from the taxpayer for its operations.*

*"UKvisas, jointly managed with the Home Office, is a world-leading service with real innovation, driven by customer needs, as exemplified in New Delhi and Lagos where service quality and efficiency have improved significantly."*

**Taken from the Cabinet Office Capability Review<sup>34</sup> of the FCO in 2007**

<sup>34</sup> *Capability Review of the Foreign & Commonwealth Office*, published by the Cabinet Office, March 2007: [www.civilservice.gov.uk/documents/capability/pdf/Capability\\_Review\\_FCO.pdf](http://www.civilservice.gov.uk/documents/capability/pdf/Capability_Review_FCO.pdf)



The visa operation delivers the overseas component of an end-to-end immigration system whose strategic objectives are to:

- strengthen our borders
- speed up asylum decisions
- ensure and enforce compliance with immigration law and
- boost the UK's economy.

Globalisation has brought increasing threats to our borders, which include sophisticated attempts to abuse the immigration system, organised crime and terrorism. At the same time globalisation brings significant benefits and the UK must continue to attract those migrants – such as workers, students or tourists – who will boost the UK economy, as well as those who bring communities together through family visits and settlement. UKvisas is often their first point of contact with British officialdom and so it must welcome them and help them with their journeys.

UKvisas must therefore meet three challenges:

- to process high numbers of visa applications
- to keep out those individuals who might cause harm to the UK and
- to make possible legitimate travel in the best interests of Britain.

To deliver this service in 2007/08 UKvisas has done the following:

- Completed the global roll-out of the biometric programme three months ahead of schedule and several million pounds under budget (see Change in the FCO chapter).
- Delivered a global risk assessment capability; the overseas network of risk assessment units has been expanded to cover all high volume and high-risk posts while the Risk Assessment Operations Centre based in the UK provides remote support for all low volume, low-risk posts.
- Built on the success of arrest programmes, by rolling them out to priority countries around the globe; there are currently programmes running in 13 countries and these are set to increase further, with an extended remit, throughout 2008/09.

- Increased training and worked with local partners and law enforcement agencies to improve forgery detection (in the past year, 12,633 fraudulent documents have been detected in Lagos alone).
- Introduced new arrangements with commercial partners to standardise and extend the network of visa application centres; there are now 95 visa application centres around the world, which handle just under 90% of all applications.
- Developed new services to provide the information customers need, in the most accessible format; this includes the new UKvisas website,<sup>35</sup> which went live in March 2008, helpline services and local websites providing local information hosted by commercial partners around the world.
- Delivered on all three Public Service Agreements in 2007:
  - 90% of straightforward visa applications were processed within 24 hours
  - 94% of non-settlement applications requiring further enquiries were processed within 15 working days and
  - 94% of settlement applications were assessed or interviewed within 12 weeks.
- Answered over 18,000 letters from MPs and members of the public, responding to 88% within Cabinet Office targets. Also responded to over 52,000 e-mail enquiries.
- Begun work to reform our operating platform into a hub-and-spoke model, consolidating decision-making to improve quality, consistency and efficiency.
- Provided an online application facility (Visa4UK) which is accessible to 99% of our customers worldwide.

<sup>35</sup> See [www.ukvisas.gov.uk](http://www.ukvisas.gov.uk)

*“UKvisas is, in my view, successfully maintaining a delicate balance between good service and adequate control. The major changes in application processes – dedicated application centres, a risk assessment basis for decision-making, and biometric data capture – all benefit the genuine visitor.”*

**Independent Monitor report for 2006/07, published November 2007**

### The points-based system

In February 2008 the first element (Tier 1 for highly skilled migrants) of the new points-based system was launched in the UK. It went live on 1 April 2008 in India and will be rolled out to the rest of the world during the summer. The system is based on objective, easily verifiable criteria. This makes it clearer, easier and more transparent for applicants, employers and educational institutions, while still maintaining a strong level of immigration control. Tiers 2 (skilled workers) and 5<sup>36</sup> (temporary workers and youth mobility) of the points-based system will be introduced in autumn 2008 and Tier 4 (students) will be introduced from early 2009.

### Marketing

Foreign students contribute an estimated £5 billion the UK economy each year. As part of our efforts to encourage more foreign students to come to the UK, we have appointed student co-ordinators in China, India and Pakistan, and a student team in Nigeria. In China, a campaign to raise awareness about the visa application centre included running regular advertisements in major newspapers across 11 cities.

#### Visa application centre, Cochin, India



<sup>36</sup> Tier 5 is for people who come to work in the UK for temporary periods and mainly for non-economic objectives such as cultural enrichment, youth exchange or experience or charitable work.

### Lessons learned: improving forgery detection

The UKvisas Risk Assessment Operations Centre in London co-ordinates the worldwide exchange of intelligence between border agencies and individual posts. The centre identified the need for additional training and equipment to boost forgery detection and set up a service level agreement with the BIA National Document Fraud Unit to deliver this.

UKvisas delivered improved training to all regions of the world during 2007/08 (apart from South-East Asia, which will be visited in May 2008). Specialist equipment has been sent to posts and visits by specialist teams help identify forgeries. One visit led to an increase in forgery detections of 102% over a six-month period.

Posts in Accra and Lagos worked with the BIA National Document Fraud Unit to set up local forgery teams and to provide training and guidance within the visa section.

### Cost benefit analysis: biometrics awareness campaign in China

**Details:** China is a key emerging market and is sensitive to changes in UK visa processes and policy. It was important that customers in China understood the benefits offered by the introduction of biometrics in October 2007.

UKvisas delivered a publicity campaign to inform key stakeholders, customers and the media about the changes. Roadshows took place in 17 cities across China, supported by partners, including the British Council, UK Trade & Investment and Visit Britain, to promote the UK visa application process.

**Cost:** UKvisas invested £35,000 in the roadshow.

**Benefits:** Over 200 representatives from the media attended the events, which generated free media coverage worth nearly £60,000. The roadshows were widely reported and succeeded in improving public perception and understanding about UK visas and education, business and tourism opportunities in the UK.

### Related weblinks:

FCO Migration website: [www.fco.gov.uk/migration](http://www.fco.gov.uk/migration)

UK Border Agency website: [www.bia.homeoffice.gov.uk/](http://www.bia.homeoffice.gov.uk/)

UKvisas *Annual Report 2006/07* (published August 2007):  
[www.ukvisas.gov.uk/Files/KFile/UKvisasAnnualReport07.pdf](http://www.ukvisas.gov.uk/Files/KFile/UKvisasAnnualReport07.pdf)

Immigration Advisory Service website: [www.iasuk.org](http://www.iasuk.org)

International Organization for Migration website: [www.iom.int](http://www.iom.int)

Performance on this policy goal is assessed by PSA 1 (Weapons of mass destruction) and PSA 2 (International terrorism)

see pages 144, 147.

## Policy goals

# Counter terrorism, weapons proliferation and their causes

*"I congratulate the work of the United Kingdom and Canada here at Shchuch'ye. London and Ottawa are indispensable partners in our efforts to destroy this dangerous stockpile."*

**Former US Senator Richard G Lugar on a visit to the Shchuch'ye chemical weapons destruction facility in August 2007**

When FCO ministers and the FCO Board reviewed our strategic priorities, it was clear to us that terrorism and the proliferation of weapons of mass destruction (WMD) were not just two of the biggest challenges to the UK's national security, as the new National Security Strategy<sup>38</sup> makes clear, but were two areas where the FCO and its network of posts could play a key role in meeting those challenges.

Our aim is to:

- reduce the risk to the UK and our interests overseas from international terrorism
- counter the proliferation of WMD materials and their means of delivery and
- ensure effective controls on all weapons, and pursue disarmament, to reduce the risk of conflict.

Travelling around the world over the last year – whether to Indonesia, Afghanistan or the Middle East – I have seen at first hand what our staff are achieving, often in difficult and dangerous circumstances. Whether strengthening the multilateral institutions that tackle proliferation or working at home and overseas to expose terrorists for the criminals that they are, we are committed to working with our partners across and outside Government to defend our national security.

**Dr Kim Howells**  
**Minister of State**

<sup>38</sup> *The National Security Strategy of the UK, Cabinet Office, March 2008: [interactive.cabinetoffice.gov.uk/documents/security/national\\_security\\_strategy.pdf](http://interactive.cabinetoffice.gov.uk/documents/security/national_security_strategy.pdf)*



**Minister of State, Dr Kim Howells and Professor Ahmed al-Tayyib of Azhar of al- Azhar University Cairo, sign an agreement to create an English language training centre at the university. The Global Opportunities Fund is contributing £500,000 to the project**

### Counter-terrorism

The aim of the Government's counter-terrorism strategy, CONTEST (see *Countering International Terrorism: the United Kingdom's Strategy*, July 2006: [www.fco.gov.uk/Files/kfile/ct\\_strategy.pdf](http://www.fco.gov.uk/Files/kfile/ct_strategy.pdf)) is to reduce the risk from international terrorism so that British people can go about their lives freely and with confidence. The strategy's major aims are to:

- prevent people becoming terrorists or supporting violent extremism
- pursue terrorists and those that sponsor them
- protect the public, key national services and UK interests overseas and
- prepare for the consequences of terrorist acts.

The FCO leads the development of strategy for the Government's work overseas, and co-ordinates its implementation through our network of posts and spending on programmes. We target our efforts where the threat to the UK and its interests is most acute, and on the key issues that drive radicalisation. We aim to:

- build political will to counter terrorism
- deepen security and police relationships and
- help reduce the factors that can lead to violent extremism.

## Prevent

The FCO works with a wide variety of partners across and outside the Government, at home and overseas, and was allocated an additional £80 million over the three-year period from 2008 to 2011 in additional programme money to tackle extremism.

The FCO works in the UK to support CONTEST overseas. For example, in August 2007 the FCO organised a visit by a delegation of British Muslims to Sudan, to help raise the profile of the Darfur issue and refute the claim that the issue marked a dividing line between Islam and the West. As a result, Islamic Relief, one of the largest British Muslim charities, organised a fund-raising concert for the victims of Darfur, supported by the FCO, which was dubbed by the press the 'Muslim Live 8 for Darfur'. We also support the work of the Radical Middle Way, which is a Muslim grassroots initiative aimed at promoting a mainstream understanding of Islam that is dynamic and relevant, particularly for young British Muslims (for more information see [www.radicalmiddleway.co.uk](http://www.radicalmiddleway.co.uk)). The FCO is funding an expansion of the website to include Arabic and Urdu and more interactive elements and we are looking at ways of extending this concept internationally.

The FCO funds a variety of projects in priority countries. For example, the Morocco Women's Empowerment and the New Family Code project has enabled marginalised women in Morocco to increase their understanding of their legal and civil rights and how they can contribute to the democratic process and promote the mainstream principles of Islam. More than 165,000 family code and electoral awareness booklets have been printed and distributed across Morocco through a network of more than 200 NGOs. Four-fifths of the women involved saw their knowledge of the new family rights enhanced. That knowledge of their rights increased their resilience as a community and made them less vulnerable to extremism.

## Guantanamo Bay

The FCO successfully negotiated and assisted the return to the UK of three former UK residents who had been held at Guantanamo Bay. This involved:

- agreeing the policy to arrange for their release
- negotiating with the US for their return and
- planning and running the operation to bring them back to the UK.

Each of these steps required close collaboration with a range of colleagues across Government and in our embassy in Washington.



Foreign Secretary David Miliband with musician Sami Yusuf at the Eid reception at the FCO, 16 October 2007

### Pursue

The FCO works with partners across Government to disrupt terrorist networks overseas. In 2007/08 we led the EU's efforts to reform EU asset-freezing procedures to create a stronger and more effective system of tackling the funds raised for terrorism.

The FCO and its posts took forward negotiations with foreign countries which led to agreements permitting the deportation of anyone judged to threaten our national security to their country of origin.

We also help our partners overseas to improve their capabilities to detect and disrupt terrorist networks. Examples of projects we have carried out include training in crime scene management and investigative and analytical development, and specialised training to improve the military's counter-terrorist capability. We also funded a five-person team from the Metropolitan Police to help the Pakistani Police with their investigation into the death of Benazir Bhutto.

### Protect and prepare

The FCO is investing in increasing the protection of UK interests overseas. This has included improvements to our own embassies, which are potential targets for terrorists. We have also worked to make sure that FCO travel advice accurately informs those who may travel or live abroad of the terrorist threat they face in particular countries. We also work closely with British business.

The FCO leads the Government's response when British nationals are kidnapped abroad, and we aim to make sure that our efforts support and complement those of the authorities of the country where the crime took place. One of our highest profile cases in 2007 was the kidnap in Gaza of the BBC's correspondent, Alan Johnston. The FCO worked closely with the BBC, the Palestinian authorities and others to help secure Alan's safety and achieve his release. Alan was released safely after 114 days in captivity. The FCO continues to work intensively on the case of five British nationals kidnapped in Baghdad in May 2007, which currently remains unresolved.

**BBC journalist, Alan Johnston, with the staff of the consulate in Jerusalem, July 2007**



### Counter-proliferation

The FCO plays a key role in formulating and implementing the Government's counter-proliferation strategy. This presents both immediate and long-term challenges, some of which are outlined below.

#### Iran and North Korea

The most pressing and high-profile issue during 2007/08 was Iran's nuclear programme, which continued to be a matter of serious concern. It has involved intensive diplomacy by ministers and senior officials from the E3+3 countries (UK, France and Germany, plus the USA, Russia and China). We have continued to search for a diplomatic solution that would allow Iran to address the international community's concerns about its nuclear programme. We worked closely with the E3+3 and the UN Security Council to agree three sanctions resolutions on Iran. Most recently, UNSCR 1803 was adopted on 3 March 2008. The FCO has also offered political support for the Six Party Talks process, with the aim of removing nuclear weapons from North Korea.

#### International conventions and treaties

Beyond the immediate challenges, we aim to strengthen the multilateral conventions and treaties that form the core of international efforts against the proliferation of weapons of mass destruction. The 2010 Non-Proliferation Treaty (NPT) Review Conference will be an important opportunity to strengthen these efforts. The NPT Preparatory Committee in May 2007 was an important first step.

Throughout 2007 our ambassador in The Hague, Lyn Parker, chaired the preparations for the next Review Conference of the Chemical Weapons Convention. The FCO also led the Government's efforts to strengthen the ban on biological weapons, and worked with the EU to encourage all countries still outside the Chemical Weapons Convention and the Biological and Toxin Weapons Convention to join.

We have also worked hard with key international allies to strengthen the three main regimes controlling exports:

- the Nuclear Suppliers Group (which controls supplies of all nuclear material related to civilian nuclear programmes)
- the Australia Group (which counters chemical and biological weapons proliferation) and
- the Missile Technology Control Regime.

#### Export licensing

The FCO works with BERR, MoD and DfID to make sure that UK export controls are rigorously maintained in line with our international obligations. During 2007/08 our licensing team handled over 10,000 licence recommendations, exceeding their target of returning 80% of these to the commissioning departments within ten working days. In September 2007 a new IT system, SPIRE, was introduced, which helped to speed up processing times by allowing exporters to make licensing enquiries and submit applications online.

**Bonfire destroying rifles in Uganda**



### Arms Trade Treaty

In 2006 the UN General Assembly adopted a resolution calling for an Arms Trade Treaty (ATT), which was aimed at curbing the irresponsible trade in conventional weapons. Following that resolution and intensive lobbying on our part, an unprecedented number of countries responded to the UN's call for comments on an ATT. In February 2008 the first of three 'Government Expert' meetings was held in New York to take forward this work.

The FCO maintains close contact with NGOs and the UK defence industry to reflect their views in overall UK policy on an ATT. NGOs and industry have wholeheartedly supported the ATT. The FCO worked in partnership with industry to hold an ATT seminar at a major arms export exhibition in London, and we supported Oxfam events to promote an ATT in the margins of UN meetings.

### Putting Russian reactor in safe storage

### Arms control and disarmament

#### Nuclear disarmament

The UK has decided to maintain its nuclear deterrent, but is committed to pursuing multilateral nuclear disarmament in the interests of a safer world for everyone. For this reason, we worked hard to revive the global commitment to a world free from nuclear weapons. This included a major policy speech by the then Foreign Secretary, Margaret Beckett, in June 2007 (see the feature box overleaf). At the Conference on Disarmament in Geneva, we continued to press for the start of negotiations on a Fissile Material Cut-Off Treaty, which would impose a worldwide ban on the further production of fissile material (highly enriched uranium or plutonium) for use in nuclear weapons or other nuclear explosive devices.

#### Missile defence

We welcomed US plans for missile defence in Europe, and worked with NATO allies to reassure Russia that missile defence plans for Europe are intended only to counter the growing ballistic missile threat from the Middle East.



### Conventional Armed Forces in Europe (CFE)

The UK (FCO and MoD) continued to work closely with NATO allies to resolve Russia's concerns about the CFE treaty regime and encourage Russia back to full involvement. The Government's objective is to bring into force the adapted CFE Treaty as soon as possible, as this would modernise the way European countries together limit key conventional ground and air weapons such as tanks, artillery and combat aircraft.

### Cluster munitions

There is no internationally agreed definition of a 'cluster munition'. Agreeing a definition is the key element in ongoing negotiations in the Oslo Process and the framework of the UN Convention on Certain Conventional Weapons (CCW).

The UK (FCO, MoD and DfID) is addressing the humanitarian impact of cluster munitions, both through the framework of the UN Convention on

Certain Conventional Weapons and through the Oslo Process. It was due to slow progress on reaching agreement to negotiate a further protocol to the CCW that some countries, led by Norway, decided to launch an alternative process in February 2007. This was called the Oslo Process. The Oslo Conference on cluster munitions (22–23 February 2007) ended with the Oslo Declaration, which expressed the aim to introduce, by 2008, a legally-binding instrument to ban those cluster munitions, which cause 'unacceptable harm to civilians'.

### Small arms and light weapons

The FCO continues to support multilateral efforts to stop the proliferation and illegal spread of small arms and light weapons. In 2007 the UK provided funding worth £3.25 million to more than 20 projects, including the collection and destruction of weapons and ammunition, and the implementation of regional control agreements.

### Policy on nuclear disarmament

"What we need is both vision – a scenario for a world free of nuclear weapons. And action – progressive steps to reduce warhead numbers and to limit the role of nuclear weapons in security policy. These two strands are separate but they are mutually reinforcing. Both are necessary, both at the moment are too weak."

#### Former Foreign Secretary Margaret Beckett, speaking in Washington in June 2007

Mrs Beckett announced plans to give new momentum to global nuclear disarmament, which would act as a 'disarmament laboratory' for both the thinking and the technical work needed to prepare for a world without nuclear weapons.

The speech helped set a new tone for international debate on disarmament and reinforced the vital Nuclear Non-Proliferation Treaty. US statesman Sam Nunn, a leading international supporter of action on nuclear threats, described the speech as a 'game-changer'.

The full text of the speech is available at [www.fco.gov.uk/speeches](http://www.fco.gov.uk/speeches)

### Cost benefit analysis: the Amman Message docudrama

**Details:** The Amman Message is an initiative led by King Abdullah of Jordan and endorsed by Islamic scholars, both Sunni and Shia, to promote the true meaning of Islam. Building on an earlier FCO-funded radio programme, we helped fund the production of a TV programme in Arabic about the message. A pilot television episode has recently been produced and we hope its success will help persuade regional satellite stations to produce a further 29 episodes.

**Cost:** £120,000.

**Benefits:** Feedback from regional radio stations on the quality and impact of the earlier radio programme was very positive. The TV programme should receive wide coverage among Arabic-speaking audiences. In doing so, we hope it will undermine the messages of violent extremism.

### Lessons learned: benefits of stakeholder consultation

“By consulting widely with the higher education sector and other organisations the FCO has been able to introduce an important new vetting system, which fits well with existing university systems and minimises the impact on their activities.”

**Dr Rodney Day, head of science and technology research degree programmes, University of Hertfordshire**

In November 2007 the FCO successfully launched the Academic Technology Approval Scheme, a mandatory online scheme designed to make sure that individuals who are applying to study certain sensitive subjects in the UK do not have links to WMD programmes (see [www.fco.gov.uk/atas](http://www.fco.gov.uk/atas)). These individuals will be assessed if they need leave to enter or remain to study in the UK. Since introducing the scheme in November 2007, we have issued over 3,500 certificates to prospective and existing students.

We were only able to successfully introduce the scheme because of extensive consultation with stakeholders across the Government and the academic community during the design phase. All those involved contributed a great deal and universities in particular were key as they are usually the first point of contact for students.

The early involvement of stakeholders was essential, both to inform and to educate. It was the first time we had carried out such intensive consultation with diverse stakeholders on this kind of an initiative, and it will serve as a template for our future work.

### Related weblinks:

International terrorism and security section on FCO website: [www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029394185](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029394185)

Counter-proliferation section on FCO website: [www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1030522523536](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1030522523536)

Home Office: Counter-terrorism strategy (includes CONTEST): <http://security.homeoffice.gov.uk/counter-terrorism-strategy/>

Security Service website: [www.mi5.gov.uk](http://www.mi5.gov.uk)

International Atomic Energy Agency website: [www.iaea.org/](http://www.iaea.org/)

Section on global threat reduction BERR website: [www.berr.gov.uk/energy/non-proliferation/global-threat-reduction/index.html](http://www.berr.gov.uk/energy/non-proliferation/global-threat-reduction/index.html)

Performance on this policy goal is assessed by PSA 3 (Conflict prevention) and PSA 5 (European security [performance indicators A and B])

see pages 149, 158.

## Prevent and resolve conflict

*“The FCO, with DfID and the MoD, provide important funding support to the UN’s Department of Peacekeeping Operations (DPKO) in key areas such as peacekeeping policy and guidance development, knowledge management and gender mainstreaming. This fits into the UN’s ‘Peacekeeping 2010’ reform effort, and demonstrates the UK’s strong commitment to strengthening the instrument of UN peacekeeping to better meet the complex and ever growing demands it faces around the world.”*

**Jean-Marie Guéhenno, Under Secretary-General for Peacekeeping Operations, United Nations**

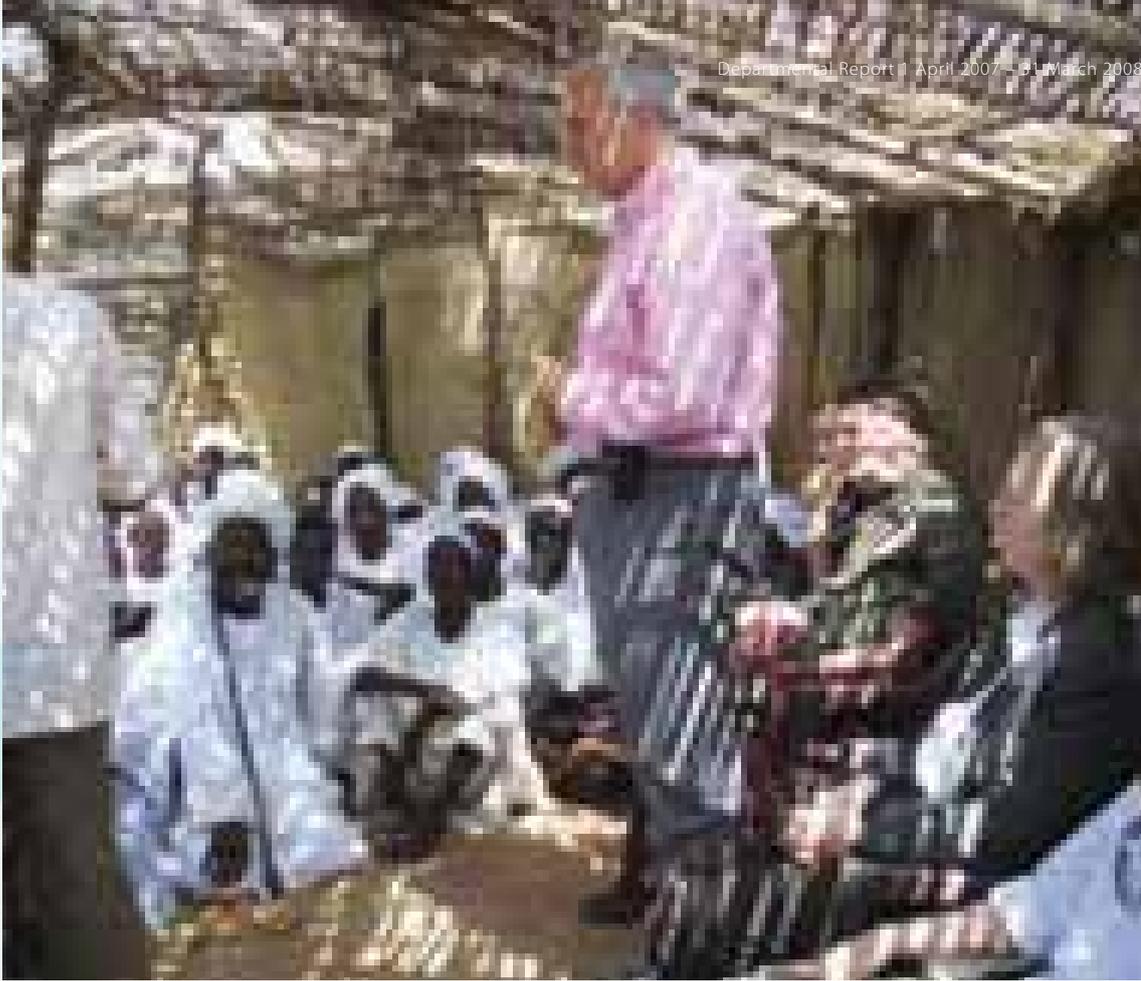
The speech by the Prime Minister<sup>39</sup> at the Guildhall on 12 November 2007 signalled the importance this Government attaches to preventing conflict, and responding when it occurs. He underlined the need for the international system to be able to intervene to protect vulnerable people. He also set out the need for the UN in particular to do better at the areas beyond peacekeeping and immediate stabilisation of conflicts – getting better at building long-term peace and full recovery. This intention is reflected in the Government’s Public Service Agreement on conflict prevention and resolution for the 2007 Comprehensive Spending Review period (see page 117).

As this report sets out, the FCO is engaged globally in all those areas. This work is both political – improving the effectiveness and capacity of international organisations, and also intensely practical – such as trying to find helicopters to move troops in Darfur, or sending UK police to train their Afghan counterparts.

We are engaged across the world – particularly in Iraq, Afghanistan, Sudan, Kosovo and the Middle East – but also in numerous other conflicts. Conflicts, wherever they occur, are a moral blight, a drain on the world’s prosperity, and they impact on the UK streets through migration, crime, drugs and terrorism.

**Lord Malloch-Brown  
Minister for Africa, Asia and the UN**

39 See [www.pm.gov.uk/output/Page13736.asp](http://www.pm.gov.uk/output/Page13736.asp)



Minister for Africa, Mark Malloch-Brown (centre) and Ambassador to Sudan, Rosalind Marsden (right), exchange views with Sheikhs of the tribes in a Darfur camp, Sudan, September 2007

Tackling conflict effectively requires involvement in preventing conflict, mediation and resolution, peacekeeping and peace-building. The UK's global interests and responsibility as a permanent member of the UN Security Council mean that we have to act across the world.

We cannot do this on our own, either internationally, where we work closely with partner nations and international organisations, or on a domestic level. This agenda is at the core of the FCO's new Departmental Strategic Objectives (see page 16), and is a key element of the Government's National Security Strategy (*The National Security Strategy of the UK*, Cabinet Office, March 2008, at [www.interactive.cabinetoffice.gov.uk/documents/security/national\\_security\\_strategy.pdf](http://www.interactive.cabinetoffice.gov.uk/documents/security/national_security_strategy.pdf)).

As a result of the Government's Comprehensive Spending Review, and the creation of a new Public Service Agreement on preventing and resolving conflict, the FCO and its partners across Government, particularly the MoD, DfID and the Cabinet Office, work increasingly closely to plan and prioritise our activities. We also rely on non-governmental partners to advise us on our approach and we hold regular discussions with NGOs to review and strengthen the Government's conflict work, and to plan conflict-prevention programmes.

### Conflict prevention and resolution

**Good governance and human rights** – The FCO has continued to press internationally for recognition that democratic states with effective judicial systems and security forces that protect and promote human rights are more likely to be stable and create the conditions for the prosperity and well-being of all their citizens. We also run projects to improve standards of governance and human rights.

**'Responsibility to Protect' (R2P)** – Under 'R2P',<sup>40</sup> it is the primary responsibility of states to protect their citizens from genocide, ethnic cleansing, war crimes and crimes against humanity. Where states fail to do so, the international community shares this responsibility (see [www.responsibilitytoprotect.org](http://www.responsibilitytoprotect.org)). The FCO has promoted R2P through references in multilateral statements and support for senior UN staff capacity on R2P. We have also sought to lead the international community's practical efforts in addressing acts that might otherwise lead to major atrocities, by using all the tools available to us to break the conflict cycle.

40 [www.responsibilitytoprotect.org](http://www.responsibilitytoprotect.org)



**Foreign Office Minister, Dr Kim Howells, makes the opening speech at the Whitehall and the Slave Trade: An Enduring Commitment to Human Rights event held in London, 17 October 2007**

**Human security** – The FCO has continued its efforts to raise the profile of specific human security issues. We have made sure that the UN Security Council Working Group on Children in Armed Conflict has been effective, and we are working on stronger international systems for protecting of civilians. We have also worked closely with DfID and MoD on the UK's national action plan to implement UNSCR 1325 on women, peace and security (see [www.fco.gov.uk/Files/KFile/1325%20-%20Update%20\(2\)%20of%20UK%20Action%20Plan1.pdf](http://www.fco.gov.uk/Files/KFile/1325%20-%20Update%20(2)%20of%20UK%20Action%20Plan1.pdf)).

**Early warning** – The FCO has continued to lead efforts to improve early warning of conflict, which allows the UK and international partners to intervene earlier and more effectively to prevent violent conflict. We have carried out detailed analysis of countries at risk of instability in several regions.

### **Conflict prevention programmes**

The FCO has worked closely with DfID and MoD, to help fund conflict prevention projects through the Africa and Global Conflict Prevention Pools (from April 2008 these will become a single Conflict Prevention Pool). These programmes have:

- worked to build the capacity of international organisations, for example the UN and African Union (AU)
- improved international efforts to reform the security sector and
- tackled the root causes of conflict in individual countries.

In Africa, for example, four regional conflict advisers co-ordinate a range of work, including:

- grassroots conflict prevention and resolution work in Nigeria, Uganda and Somalia
- giving support to the Darfur and Southern Sudan peace agreements
- peacekeeping training in South Africa, Nigeria, Ghana and Kenya and
- post-conflict projects in Liberia.

In Nepal, our programme supports the UN in continuing to build an environment for open and free elections in 2008. We also resumed direct support to the Palestinian Authority, including promoting basic needs and improving freedom of movement and access to justice.

**Burma** – When the crisis broke in August 2007, the FCO worked to ensure strong international reactions from the UN Security Council, Human Rights Council and the EU. This helped to unite efforts to promote political change and to reinvigorate the UN Secretary-General's good offices mission under Ibrahim Gambari. The FCO helped secure:

- an unprecedented Security Council presidential statement on Burma (see Presidential statement number 37, 11 October 2007, at [www.un.org/Docs/sc/unsc\\_pres\\_statements07.htm](http://www.un.org/Docs/sc/unsc_pres_statements07.htm))
- a unanimous UN resolution on human rights in Burma agreed at the Human Rights Council and
- additional sanctions by the EU against the Burmese regime.

**Zimbabwe** – The FCO made sure that the international community remained focused on Zimbabwe through an EU statement at the Human Rights Council, as well as EU Council conclusions and G8 statements condemning state-sponsored violence. In Zimbabwe we spend £3.3 million each year supporting people on the ground who are working for democracy. Our embassy proactively monitors human rights abuses. It monitored closely preparations for the 29 March elections.

**Kenya** – The disputed result of Kenyan elections in December 2007 led to violence in which up to 1,500 people were killed and an estimated 250,000 displaced. The UK's diplomatic intervention focused on:

- securing an end to violence
- following up allegations of election irregularity; and
- urging Kenya's politicians to agree, and then implement fully and in good faith, a lasting political solution through a process of dialogue, supported by AU mediation, led by Kofi Annan.

The FCO has played a leading role in the EU, the UN and with our African partners to shape a coherent international policy. The Foreign Secretary, David Miliband, has spoken on many occasions to his counterparts across Europe, in the USA and in Africa to advance the Government's aims.

The Minister for Africa, Asia and the UN, Lord Malloch-Brown, visited Kenya at the end of January 2008 and discussed the issue with our African partners in the margins of the AU summit in Addis Ababa. On 28 February 2008 a political solution (including a power-sharing agreement and a means to address underlying political issues) was agreed. The violence has ceased and political leaders are now focused on dialogue and on implementing the agreement.

**Middle East** – The Annapolis process offers the best chance of peace negotiations since 2000, but violence and suffering continue, particularly in Gaza. The FCO has worked closely with the parties involved and other partners, including the EU, USA, UN and regional states, to support the US-led negotiating process. The Foreign Secretary, David Miliband, met key players in the region and in London, and intervened at the Annapolis meeting in November 2007. The FCO, with DfID and the MoD, has worked to help the Palestinian economic, humanitarian, governance and security situation, and supported the work of Tony Blair as the Quartet Special Envoy.

**Northern Uganda** – The Juba Peace Process has produced a Final Peace Agreement that ends the long-running conflict, one of Africa's worst, between the Ugandan Government and the Lord's Resistance Army. The FCO has led the UK's support for the Secretary-General's special representative, former Mozambique President Chissano, and driven EU (Council conclusions in June 2007) and UN (New York seminar in August 2007) policy on the issue. The UK mission to the UN has continued to ensure that the UN Security Council has given support to the Juba Process. The UK has contributed £250,000 to the UN fund supporting the peace process. The Prime Minister discussed the peace process with President Museveni when they met during the Commonwealth Heads of Government Meeting in Kampala in November 2007 and again when they met in London on 10 March 2008.

### Peacekeeping and stabilisation

**Peacekeeping** – The recent increase in operations is a positive development as it represents progress, albeit fragile, in resolving key conflicts, particularly in Africa. However, this is placing increasing strain on the UN. Today the UN has 20 peacekeeping and related missions worldwide, with over 130,000 personnel working in the field. The UN has limited HQ and field capacity, and staff are struggling to cope with the current situation. Member states are also struggling to provide the necessary troops and negotiators that peacekeeping operations need. The UK plays a leading role in the UN Security Council in making sure that peacekeeping operations are properly managed. Work continues to address the underlying problems.

**Peacekeeping budget** – The total cost of UN peacekeeping is over US\$ 6.5 billion (£3.2 billion at current exchange rates). The UK's assessed contribution<sup>41</sup> to this is almost 8%. The UK's peacekeeping budget, managed by the FCO on behalf of the FCO, MoD and DfID, amounted to £374 million in 2007/08. In addition to our share of UN costs, it covers our assessed contributions to EU and Organisation for Security and Co-operation in Europe (OSCE) peacekeeping missions, bilateral financial support to AU missions, and the costs of UK military, police and civilian personnel participating in, for example, missions led by the UN, EU and OSCE.

<sup>41</sup> Assessed contributions: UN peacekeeping operations are primarily financed from fixed contributions from member states. The General Assembly approves the budget for each operation and determines the assessment for each member on an across-the-board formula. This is broadly based on the relative capacity of each country to pay, as measured by their gross national income, with adjustments for external debt and low per capita income. The UK's annual contribution is currently 8%. A similar arrangement is used for the fixed financing of EU and OSCE peacekeeping operations by its members. The UK's EU rate is currently 17%.



A Chinook delivering supplies to Lashkar Gah during Lord Malloch-Brown's visit to Afghanistan, October 2007

**Stabilisation** – Operational experience continues to make clear the importance of co-ordinated action between civil and military parties in crisis management. This requires improved international civil–military capability. The FCO continues to lead national and international efforts on this, including through joint direction of the Stabilisation Unit.<sup>42</sup> The Unit supports countries emerging from conflict, at the request of its parent departments (FCO, MoD and DfID) or the Cabinet Office. The Unit has continued to provide specialist assistance to key countries (Afghanistan, Iraq, Nepal, Somalia and Sudan in 2007/08), where close co-operation between an international military presence and civilian agencies is essential for greater stability.

**Afghanistan** – Afghanistan is one of the poorest countries in the world, facing a range of development, security and drugs challenges. The UK is supporting Afghanistan's Government and people to establish stability and security, build up governance capacity (including on development) and reduce poppy cultivation.<sup>43</sup> Since 2001 the UK has committed over £1.3 billion to reconstruction and development. By the end of 2007 over 40,000 Afghan soldiers had been recruited, trained and equipped. Progress has also been made in recruiting and training Afghan police, with the UK participating in EU and supporting US-led training programmes. We also announced a new package of counter-narcotics activities in August 2007.

**Kosovo** – Throughout 2007 the UK worked closely with its partners in the EU, NATO, UN Security Council and Balkans Contact Group to bring the negotiations over Kosovo's status to rapid and successful completion. The UK also worked hard to ensure a leading EU role in implementing the Kosovo settlement. Kosovo declared independence on 17 February 2008, following 15 months of negotiations by UN Special Envoy Ahtisaari and four months of talks arranged by a *troika* or three-member group consisting of the EU, US and Russia, which had clearly shown that agreement between Belgrade and Pristina was out of reach. The UK recognised Kosovo's independence on 18 February, and subsequently established an embassy. Post-independence, the UK continues to work with key international partners and the Kosovo Government, including through membership of the International Steering Group overseeing Kosovo settlement implementation.

**Democratic Republic of Congo (DRC)** – The UN peacekeeping mission, which includes British military officers, is vital in:

- supporting stabilisation and efforts to achieve peace and reduction in violence, particularly in the east of the region
- achieving ceasefires between the armed forces and rebel troops
- paving the way for rebel soldiers to rejoin the army and
- making access possible for humanitarian organisations.

<sup>42</sup> See [www.stabilisationunit.gov.uk](http://www.stabilisationunit.gov.uk); formerly the Post Conflict Reconstruction Unit.

<sup>43</sup> See *UK and Afghanistan: Securing Afghanistan's Future*: [collections.europarchive.org/tna/20080205132101/www.fco.gov.uk/servlet/Front%3fpagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1161596908485](http://collections.europarchive.org/tna/20080205132101/www.fco.gov.uk/servlet/Front%3fpagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1161596908485)

The UK worked on the mission's renewal in December 2007, arguing for more attention to the problems of sexual violence and the Forces Démocratiques de Libération du Rwanda militia, and support for local elections in 2008. Officials from the FCO and the Stabilisation Unit have established a mini mission in Goma, eastern DRC, to:

- support stabilisation
- report on developments in the conflict and
- provide political representation.

**Somalia** – The FCO and DfID have played a leading role in the International Contact Group on Somalia at its four meetings during 2007. The FCO hosted the Contact Group in June 2007. In 2007/08 the UK has taken the lead in the UN Security Council on Somalia successfully where resolutions 1744 (February 2007), 1772 (August 2007) and 1801 (February 2008) were all unanimously adopted. These set out the international community's policy towards the political process in Somalia and authorised the deployment of the African Union's peacekeeping mission. The UK has provided £8 million towards this mission from the UK Peacekeeping Budget. The FCO has also helped shape successive EU Council conclusions, in April, May and December 2007.

### Peace-building

**Governance and rule of law** – The FCO supports the promotion of good governance and rule of law in countries rebuilding themselves after conflict (in other words post-conflict countries), for example:

- at the UN (including pushing for and funding the UN's Rule of Law Unit)
- through a cross-government justice assistance network to co-ordinate expertise and
- through the recruiting and deploying of justice advisers, prisons advisers and police experts.

The FCO, with DfID and MoD, continues to support UN, EU and OSCE missions with significant contributions to post-conflict capacity building in a range of countries and in 2007 deployed 113 police and 50 civilian experts to support these operations.

**UN peace-building** – The FCO also actively supports the UN's efforts to carry out peace-building more effectively. It is a key donor to the peace-building fund and supports the Peacebuilding Commission (PBC), which provides longer-term international support to countries on its agenda (currently Sierra Leone, Burundi and Guinea-Bissau). The FCO is working to make sure that peace-building is planned from the start of peacekeeping missions, and that UN agencies are genuinely integrated in their efforts, building on the UN's existing mission planning process.

**Sierra Leone** – The FCO contributed to international efforts to make sure that the first national elections since the withdrawal of UN peacekeepers took place peacefully. We also actively supported the efforts of the Peacebuilding Commission to build long-term governance and development. In December 2007 it agreed a peace-building co-operation framework with the Government of Sierra Leone.

**Iraq** – The FCO has worked in Baghdad, Basra and Erbil, and through our leadership of the multinational Basra Provincial Reconstruction Team, we have worked hard to:

- promote political reconciliation between the different parties
- build capacity in the Iraqi security forces
- support the legal and criminal justice system
- increase co-operation between Iraq and its neighbours and
- promote the regeneration of an Iraqi-led economy.

In Basra our work helped deliver some notable successes in December 2007 including:

- the hand-over of security responsibility to the Iraqi authorities
- the launch of the Basra Development Commission, which aims to help develop Basra's economic potential and
- a joint declaration by all political parties supporting the rule of law and the Iraqi security forces.

## Sudan

Sudan has been a priority in 2007/08. A co-ordinated effort by the FCO, including our mission in New York and embassies in Khartoum and other key capitals, together with partners across Government, achieved agreement in July 2007 in the UN and African Union to authorise a joint peacekeeping mission to Darfur.

The UN Security Council has formed a strategy, which the UK has helped devise, to tackle security, political and humanitarian issues in Darfur. The FCO is working with the Government and international partners to overcome problems related to the deployment of the UN AU Mission in Darfur and develop a viable cease-fire and peace process.

The FCO has been involved in the peace negotiations and provided £2 million support, together with £5 million of UK assistance to the Darfur Community Peace and Stability Fund, to tackle Darfur's immediate recovery and long-term reconstruction needs.

The FCO has also remained focused on the peace process for southern Sudan, including implementation of the north-south comprehensive peace agreement. The FCO:

- was a member of the Assessment and Evaluation Committee (AEC), which monitors the implementation of the peace agreement, and also led the AEC security sub-committee and
- worked in the UN Security Council to strengthen the UN Mission in Sudan peacekeeping mandate.

## Lessons identified: Afghanistan

Despite huge international effort in recent years, many of Afghanistan's more significant problems will require further time and international and Afghan resources to reach resolution. The starting point was a country ravaged by a quarter of a century of conflict. In the past year the FCO has been engaged in an intensive lessons identified exercise, with Government and our international partners.

We have readjusted our approach and in particular re-prioritised our resources across the FCO in order to reinforce our staff levels in Kabul and Lashkar Gah and those in London working on Afghanistan, to tackle the increased scale of the UK's commitments. Our staff have worked for progress by:

- encouraging a more holistic and political approach by the Government of Afghanistan and the international community to Afghanistan's problems, including increased responsibility by the Government of Afghanistan to deliver to the Afghan people
- co-ordinating better international efforts on the civilian aspects of peace-building
- working to develop effective and accountable Afghan security forces
- improving our counter-narcotics efforts
- promoting Afghan responsibility for the wider rule of law and developing civil society and
- strengthening the capacity of the Afghanistan Government to communicate with the Afghan population.

**British police officer and head of mentors in the European Union Police Mission in Afghanistan, Bill Morrell, in Kabul, Autumn 2007**



### Cost benefit analysis: conflict prevention vs peacekeeping

The sums the FCO spends on preventing conflict and on building local capacity are relatively low when compared to what it costs to Government to intervene directly or through the UN once conflict has broken out.

In 2007/08, for example, the UK invested £1.5 million from the Africa Conflict Prevention Pool in building the conflict prevention and peacekeeping capacity of the African Union. That action could prevent a future crisis like that of Sierra Leone in the 1990s, or make sure the AU can intervene quickly to prevent a problem from

developing. Although Sierra Leone was a notable success in responding to a crisis once it emerged, it was a multimillion pound commitment by the UK to provide its troops on the ground, apart from our share of the cost of the UN force.

Even where the UK does not intervene directly itself, the costs to the Government can still be high. The UK contribution to the UN force in Haiti in 2007/08 was £19.3 million. This compares with a total of £1.5 million of funding from the Global Conflict Prevention Pool allocated to the conflict prevention programmes in the rest of Latin America and the Caribbean in the same period.



### Related weblinks:

Preventing and resolving conflict section on the FCO website: [www.fco.gov.uk/servlet/ Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029393906](http://www.fco.gov.uk/servlet/ Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029393906)

UK Mission to the UN website: [www.britishembassy.gov.uk/servlet/](http://www.britishembassy.gov.uk/servlet/ Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1173562349762)

[Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1173562349762](http://www.britishembassy.gov.uk/servlet/ Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1173562349762)

DfID website: [www.dfid.gov.uk/](http://www.dfid.gov.uk/)

MoD website: [www.mod.uk/DefenceInternet/Home/](http://www.mod.uk/DefenceInternet/Home/)

UN Security Council website: [www.un.org/Docs/sc/](http://www.un.org/Docs/sc/)

UN Peace-building Commission website: [www.un.org/peace/peacebuilding/](http://www.un.org/peace/peacebuilding/)

UN Department of Peacekeeping Operations (DPKO) website: [www.un.org/Depts/dpko/dpko](http://www.un.org/Depts/dpko/dpko)

African Union website: [www.africa-union.org/root/au/index/index.htm](http://www.africa-union.org/root/au/index/index.htm)

Human Rights Council website: [www2.ohchr.org/english/bodies/hrcouncil/](http://www2.ohchr.org/english/bodies/hrcouncil/)

# Promote a low carbon, high growth global economy

*"I wish to commend Your Excellency for Britain's leadership on climate change issues and your Government's unqualified support for the success of the Bali conference. Ambassador Humfrey and his capable staff also worked closely with Indonesian officials, including with my office."*

**His Excellency Dr Susilo Bambang Yudhoyono, President of the Republic of Indonesia in his letter of 19 December 2007 to Prime Minister Gordon Brown**

The challenges presented by globalisation to a prosperous, just and secure world became ever more apparent in 2007. Global financial turmoil over the summer reminded us that integration in the global economy creates risks as well as benefits. The Inter-governmental Panel on Climate Change produced the most authoritative report yet on the science of climate change, concluding that its effects are likely to be even greater than previously thought. High oil prices demonstrate the impact that demand from emerging economies is having on the global economy. And continued openness to global trade and investment is increasingly challenged by rising protectionism.

Building a low carbon, high growth global economy – based on achieving climate and energy security, securing growth and reducing poverty – is therefore a major challenge for the UK. The FCO's global network is uniquely placed to make a difference.

**Lord Malloch-Brown**  
**Minister for Africa, Asia and the UN**



**South African Environmental Management Inspectors (EMIs) on a marine patrol. The EMIs were trained with FCO funds, supported by the Environment Agency**

### Climate security

2007 was a turning point for climate change. Aided by the publication of Lord Stern's *Review of the Economics of Climate Change*<sup>44</sup> in 2006, worldwide public awareness of the urgency of the challenge has grown rapidly. Climate change is now high up the domestic and international political agenda. The challenge ahead is enormous because the global economy needs to be redirected towards a low carbon growth future. This will only be achieved through co-operation across governments, business and civil society.

Throughout the year, the FCO network used its influence to build new working relationships with key groups that have a role in making this change happen. The network is essential for its knowledge, listening and engagement skills. Ministerial and governmental interventions can influence debate. But businesses, for example, can often be a more powerful voice for the economic opportunities of reducing carbon emissions, and the risks of delay. The report *Climate Change, Everyone's Business*,<sup>45</sup> published by the Confederation of British Industry in November 2007, is one such example.

Since the publication of his review, the FCO network has worked with Lord Stern and his team to spread the report's key findings to over 50 countries. Using the Global Opportunities Fund (GOF), the FCO has worked with DEFRA and DfID to broaden and deepen evidence on the economic impacts of climate change regionally and nationally, including in Brazil, Mexico and South-East Asia.

In April 2007 then Foreign Secretary, Margaret Beckett, called the first ever UN Security Council debate on the security implications of climate change. This was the best attended themed debate ever in the Security Council, and increased understanding that climate change is a threat to security as well as prosperity. It helped pave the way for the UN Secretary General, Ban Ki Moon, to call a successful UN high-level meeting in New York in September 2007, attended by many world leaders. The FCO mission in New York has provided strong support to the Secretary General, as he brings together world leaders and promotes a stronger collective response from UN agencies.

<sup>44</sup> See [www.hm-treasury.gov.uk/independent\\_reviews/stern\\_review\\_economics\\_climate\\_change/sternreview\\_index.cfm](http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/sternreview_index.cfm)  
See: <http://www.avtclient.co.uk/climatereport/>

<sup>45</sup> See [www.avtclient.co.uk/climatereport](http://www.avtclient.co.uk/climatereport)



### UN climate change Bali Conference, December 2007

In December 2007 the UK delegation at Bali, led by Hilary Benn, played a central role in launching comprehensive negotiations on a post-2012<sup>46</sup> framework to reduce greenhouse gas emissions and these negotiations will be concluded by 2009. This significant success was the result of a year of intensive public and private diplomacy by the FCO network, working hand-in-hand with partners across Government, and it involved close co-operation between the British Embassy in Jakarta and the Indonesian presidency. An FCO official who liaised with the Indonesian authorities and a DEFRA official on secondment to the Indonesian environment ministry both played important roles in building Indonesian capacity and improving communication with key countries.

### Energy security

At a time of increasing uncertainty about the global security of energy supplies, the UK is now having to import gas and oil to meet demand as it no longer produces enough for its needs. Global oil and gas reserves are increasingly concentrated in relatively unstable regions. 'Resource nationalism' is rising, which means that there is increased state intervention in these areas and this undermines equal access to energy resources. Competition for resources is also increasing as global demand for energy grows rapidly as a result of strong economic growth in emerging economies. We work closely with BERR, other government departments and our network of energy attachés in our overseas posts to manage the geopolitical risks.

The Energy White Paper<sup>47</sup> published in May 2007 set out the Government's international energy and climate change strategy, which is designed to protect the security of our energy supplies and speed up the change to a low-carbon global economy. We played a key role in the publication of this paper, working closely with BERR and other government departments.

The FCO worked for improved coverage and capacity on global energy issues in the EU, the G8 and the International Energy Agency (IEA). We promoted more open global dialogue between producer and consumer countries through these institutions.

Throughout the year, the FCO continued to strengthen EU energy policy, and supported moves towards removing restrictions within the European market and looking for new suppliers for the EU's energy supplies. In September 2007 the European Commission published proposals on freeing up the energy market, which is a key part of the climate and energy package agreed by European leaders at the Spring European Council in March 2007. We worked closely with the European Commission and other member states to encourage the development and maintenance of a coherent EU external energy policy.

<sup>46</sup> The Kyoto protocol's emissions targets expire in 2012.

<sup>47</sup> See [www.berr.gov.uk/energy/whitepaper/page39534.html](http://www.berr.gov.uk/energy/whitepaper/page39534.html)



A South African EMI investigates a taxidermist

The FCO supported the IEA's efforts to reach out to non-member countries, such as China and India. Through the Global Opportunities Fund the FCO is funding:

- projects to help increase energy efficiency in Russia
- training programmes for statisticians to measure energy efficiency indicators more effectively and
- pilot projects using energy-efficient methods to generate power.

### **Sustainable growth**

Throughout the year, the FCO supported economic reforms in key emerging and developing economies to promote stable and sustainable growth globally. For example, throughout 2007 the FCO worked closely with key partners across the Chinese Government and the private sector to support financial services and broader economic reforms. Our FCO posts in China supported this process by establishing and strengthening links with key Chinese counterparts. This will result in the first high-level UK–China economic and financial dialogue to be headed by the UK Chancellor later in 2008.



**A South African EMI rescues an 'egg-eater' snake and educates a local child.**

The FCO, working with HM Treasury and others, held successful high-level economic dialogues with Brazil, India and Mexico covering a wide variety of issues of common interest. These included: trade and investment, climate change and money laundering. In Nigeria, We supported new federal laws promoting the responsible handling of monetary and tax issues, sound public procurement (buying of goods and services) and the Extractive Industries Transparency Initiative. In Brazil, FCO-GOF (Global Opportunities Fund) projects focused on reducing barriers to doing business, improving revenue collection and setting up public-private partnerships.

Working closely with colleagues in HM Treasury, DfID and BERR, the FCO continued to recommend the benefits of open markets for global trade and investment. We supported broader government efforts to reach a successful conclusion to the Doha Development Agenda. The pamphlet *Global Europe*,<sup>48</sup> published in October 2007 has joint forewords by the Prime Minister, Gordon Brown, and

the Foreign Secretary, David Miliband, and it sets the agenda for the future direction of an outward-facing EU focused on the concerns of its citizens.

The declaration on globalisation which was adopted by the European Council in December 2007 supported the UK approach. Preventing a rise in protectionism will continue to be a key theme for 2008/09.

The FCO led the UK's co-ordination activities for annual G8 summits. Our posts played an important role in preparing the way for successful outcomes in line with UK objectives during Germany's presidency of the G8 in 2007, notably on climate change and Africa. The German summit<sup>49</sup> also launched the Heiligendamm Process, which is a structured dialogue between the G8 and the group of five major emerging economies (Brazil, China, India, Mexico and South Africa). This focused on development, investment, innovation and energy efficiency. Climate change and development will be the main themes of Japan's G8 presidency in 2008.

<sup>48</sup> See [www.fco.gov.uk/Files/kfile/FCO\\_BEU\\_DOC\\_GlobalEurope71022.pdf](http://www.fco.gov.uk/Files/kfile/FCO_BEU_DOC_GlobalEurope71022.pdf)

<sup>49</sup> See [www.g-8.de/Webs/G8/EN/Homepage/home.html](http://www.g-8.de/Webs/G8/EN/Homepage/home.html)



**A South African EMI checks restaurant stocks for banned species.**

The Organisation for Economic Co-operation and Development (OECD) agreed to open talks with Chile, Estonia, Israel, Russia and Slovenia about the possibility of them joining the OECD. It also agreed to increase its engagement with Brazil, China, India, Indonesia and South Africa. The FCO supports the OECD's closer engagement with these countries, including making clear the benefits to host governments of working more closely with OECD technical groups and committees.

In July 2007 the Prime Minister, Gordon Brown, launched the Millennium Development Goal (MDG) 'Call to Action'. The FCO, particularly overseas posts, played a key role in building support for the Call to Action from world political and business leaders. By the end of March 2008 a further 12 countries had joined the original 14 government and 21 businesses who had signed up to the MDG in pressing for accelerated action to meet the MDG commitments. There was also support from Commonwealth partners at the Commonwealth Heads of Government Meeting in Kampala in November 2007.

#### **Related weblinks:**

FCO website: [www.fco.gov.uk/en/fco-in-action/carbon](http://www.fco.gov.uk/en/fco-in-action/carbon)

UN Framework Convention on climate change website: [www.unfccc.int](http://www.unfccc.int)

International Energy Agency website: [www.iea.org](http://www.iea.org)

G8 – the German presidency website: [www.g-8.de/webs/g8/en/homepage/home.html](http://www.g-8.de/webs/g8/en/homepage/home.html)

Organisation for Economic Co-operation and Development website: [www.oecd.org](http://www.oecd.org)

Stern Review homepage: [www.oce.gov.uk/activities/stern.htm](http://www.oce.gov.uk/activities/stern.htm)

Millennium Development Goals – Call to action: [www.dfid.gov.uk/mdg/default.asp](http://www.dfid.gov.uk/mdg/default.asp)

Performance on this policy goal is assessed by PSA 4 (Effective EU) **see page 155.**

## Develop effective international institutions, above all the UN and EU

*"I know 'Britain wins battle in Europe' is not exactly a brilliant headline but this does look like a Foreign Office victory to me with all the UK concerns highlighted and the original purpose emasculated"*

**quote from Mark Mardell's (BBC Europe Editor) blog, 14 December 2007**

Global issues, such as the threat from terrorism, weapons proliferation and climate change, demand global responses. We also need global responses to help tackle other challenges, such as those set out in the Millennium Development Goals.

But global responses require global platforms. In this regard the United Nations provides a unique and vital platform on which we can forge action with international partners. This leads to another challenge. If the UN is a way for us to generate the action required, then we must ensure that we continue to develop its effectiveness so that international action can also be as effective as possible.

The same is true of other fora. Signature of the Lisbon Treaty<sup>50</sup> provides the EU with a settled institutional framework that will enable it to deliver for its citizens in response to the challenges of globalisation. And then there is the G8, Commonwealth, Council of Europe, Organisation for Security and Co-operation in Europe (OSCE), NATO and the international financial institutions. Their effectiveness is also in our firm interest if we are to deliver on the scale required.

**Lord Malloch-Brown**  
**Minister for Africa,**  
**Asia and the UN**

**Jim Murphy**  
**Minister for**  
**Europe**

<sup>50</sup> See [europa.eu/lisbon\\_treaty/index\\_en.htm](http://europa.eu/lisbon_treaty/index_en.htm)



Prime Minister, Gordon Brown, signing the Lisbon Treaty, December 2007

### United Nations

As President of the UN Security Council in April 2007, the FCO promoted the first ever Council debate on climate change. The debate, which achieved unprecedented participation, focused on the security implications of climate change, including causes of conflict such as border disputes, migration and access to energy, water and food (see also page 71).

The FCO also worked to make sure that the UN Security Council met its responsibilities in response to threats to international peace and security, including events in specific countries. The FCO:

- helped secure Security Council responses in relation to the need for UN peace-keeping in Darfur, terrorist attacks in Lebanon, unrest in Burma and the assassination of Benazir Bhutto in Pakistan
- made sure that the Security Council welcomed areas of progress, for example the successful parliamentary and presidential elections in Sierra Leone and

- achieved a Security Council response to the holding of Royal Naval personnel in Iran, which created the necessary international pressure to secure their release.



The first session of the reformed UN Economic and Social Council (ECOSOC) met in Geneva in July 2007. The FCO arranged for UK representation drawn from across Government. ECOSOC highlighted the challenge of meeting the targets of the Millennium Development Goals (MDGs). The Prime Minister's subsequent launch of the MDG 'Call to Action' in New York at the end of July 2007 was designed to boost international collective action to meet the MDG targets by 2015 (see also page 23, 75-76, 83-84, 162). The FCO will continue to play a key role in building international support in the run-up to the high-level meeting called for by the UN Secretary-General and the President of the General Assembly on 25 September 2008.

In June 2007 the newly created Human Rights Council (HRC) agreed on its future direction. Negotiations were difficult. The FCO worked with other states, NGOs and the UN's human rights experts to reach agreement. As the UK is in a voting minority within the HRC, it is a challenge for us, along with our like-minded partners to achieve our objectives at the Council. We would have preferred stronger provisions on some elements, but overall we considered it a valuable framework to build on. We welcome the new Universal Periodic Review which will look at every UN member's human rights record. This should bring greater fairness, balance and openness to the HRC's consideration of member countries' human rights records and alert it to specific human rights violations.

The FCO was disappointed by a disproportionate and unbalanced focus on the Middle East in the Council's early months, which meant that other situations were comparatively neglected. However, often prompted by the FCO, the Council has taken some encouraging steps, including addressing the tragic situations in Darfur and Burma. We have also repeatedly called attention in Council debates to victims around the world, including in Zimbabwe, the Democratic People's Republic of Korea and Iran.

Two further notable FCO achievements on human rights were the creation of a new UN special rapporteur (a UN independent expert) to consider modern slavery issues and the adoption of a UN resolution calling for a worldwide moratorium on (suspension of) the death penalty.

## European Union

The successful conclusion of negotiations and signing of the Lisbon Treaty provides the EU with a more stable and lasting institutional framework. The FCO played a crucial role in negotiating the Lisbon Treaty and is responsible for taking the Treaty through Parliament. The Treaty will make it possible for an EU of 27 or more nation states to respond effectively to the challenges of globalisation, and to deliver results on key issues such as employment, growth, security, the environment and foreign policy.

The FCO was active in making sure that the EU sees climate change as a core strategic challenge and shows global leadership. In 2007 the EU reached agreement on an ambitious response to climate change and on a move towards a high growth, low carbon economy.

In December 2007, the EU's position at the UN climate change summit in Bali played an important part in reaching agreement to launch negotiations during 2008 to find a successor to the Kyoto Protocol. The challenge now is to make sure the EU delivers on its commitments. The publication by the European Commission of proposals to relax restrictions in the energy market and deliver the EU's climate change targets are key building blocks in this process.

The FCO has continued to work actively with EU partners to support reform, stability and prosperity in the countries neighbouring the EU. With Kosovo no more than 50 kilometres from the nearest EU border, an effective EU contribution was essential. We worked with EU partners to agree the EU's position on Kosovo's independence, including the deployment of an EU mission to support this settlement and strengthen the rule of law.

More widely, the FCO has worked to make sure that membership of the EU continues to be recognised as the most effective tool we have to drive reform across the continent. Our strategic partnerships with Turkey and Croatia have supported negotiations over the past year about the possibility of them becoming members of the EU.

On issues of common security and foreign policy, the FCO has played a leading role in reaching agreement on tough EU sanctions against Iran. These measures go further than UN sanctions, which demonstrates EU unity on the need for Iran to comply fully with International Atomic Energy Authority inspectors and to suspend its uranium enrichment-related activities. We pushed for further targeted sanctions against Burma, increasing the pressure on the Burmese elite to respect the human rights of all Burmese citizens and to enter into discussions with democratic groups.

### G8

The FCO is responsible for co-ordinating the UK Government's preparations for G8 summits. In 2007/08 the FCO's contribution helped to secure agreement on climate change, development and the global economy at the Heiligendamm summit in Germany. The summit also launched the Heiligendamm Process, which aims to develop deeper and more effective communication between G8 members and Brazil, China, India, Mexico and South Africa.

### Commonwealth

The FCO achieved several key UK objectives at the Commonwealth Heads of Government Meeting (CHOGM) in Kampala in November 2007 (see feature box on page 83).

The UK is currently a member of the Commonwealth Ministerial Action Group (CMAG), which was set up to deal with serious and persistent violations of the Harare Principles of democracy and good governance.

The Foreign Secretary, David Miliband, and the Minister for Africa, Asia and the UN, Lord Malloch-Brown, met their CMAG counterparts and the Commonwealth Secretary General in November 2007 to discuss the Commonwealth response to the state of emergency in Pakistan. In November 2007 in London, CMAG gave the Pakistan Government five measures to meet or face suspension from the Commonwealth. In Kampala on 22 November 2007 CMAG met to review Pakistan's progress and agreed to suspend Pakistan from the Commonwealth, because of that country's failure to meet the five measures. CMAG underlined the Commonwealth's commitment to continued engagement with Pakistan, including reviewing progress there following the elections of early 2008.

**The Commonwealth Secretary-General, Don Mckinnon, (right) and Foreign Minister of Malta and Chairman of Commonwealth Ministerial Action Group (CMAG), Dr Michael Frendo, (2nd from right) address the media at the end of CMAG meeting in Kampala on 22 November 2007 with (left) the Foreign Secretary, David Miliband, and Tanzania's Foreign Minister, Bernard Membe (2nd left)**





An OSCE/ODIHR election observer is registered at a polling station in Zagreb during the 25 November 2007 parliamentary elections in Croatia

### **Organisation for Economic Co-operation and Development (OECD)**

The FCO is also the lead government department for the OECD. In May 2007 the FCO helped achieve OECD agreement to open talks with Chile, Estonia, Israel and Slovenia about the possibility of them joining the OECD while reinforcing OECD values and principles. Agreement on greater OECD engagement with Brazil, China, India, Indonesia and South Africa will underpin the organisation's credibility. This is a key part of the FCO's objective of bringing the emerging economies into a rules-based international system that will promote global prosperity.

### **Organisation for Security and Co-operation in Europe (OSCE)**

In 2007/08 the FCO spent over £2 million to provide more than 30 experts to OSCE field missions across the Balkans, Caucasus, Eastern Europe and Central Asia. Their expertise contributed to progress in areas relating to conflict, post-conflict reconstruction, human rights, democratisation, rule of law and border control.

Over the same period the FCO funded around 300 UK election observers to support OSCE election observation missions, including to Armenia, Croatia, Kazakhstan, Kosovo, Kyrgyzstan, Moldova and Ukraine.

The FCO also worked to make sure that the OSCE continues to focus on promoting tolerance and non-discrimination. In June 2007 we sent a high-level delegation headed by Baroness Ashton to the Bucharest Conference to tackle this issue.

At the 2007 OSCE ministerial meeting in Madrid in November, an FCO delegation led by Minister for Europe, Jim Murphy, played an important role in negotiations on the key decisions to agree which OSCE member states will hold the next three chairmanships, and on the OSCE's possible involvement in helping Afghanistan improve border security.



#### Council of the European Union

##### **Council of Europe (CoE)**

The FCO was involved in all CoE work, aiming to make sure that the organisation remained focused on its core values of promoting and protecting human rights, democracy and the rule of law across Europe.

The FCO has worked to promote the CoE as the standard-setting organisation for human rights in Europe, and to uphold its unique monitoring systems. We took part in discussions about possible reforms to the European Court of Human Rights, to allow it to manage its growing workload, and we maintained pressure on Russia to sign up to Protocol 14 to the European Convention on Human Rights, which will pave the way for substantial Court reforms. We also used the Serbian chairmanship of the Committee of Ministers to urge Serbia to meet its CoE commitments.

The UK contributed around €30 million (approximately £20 million) to the CoE in 2007. We also funded an expert in the Office of the Human Rights Commissioner, which directly contributed to the CoE's core mission.

### International criminal tribunals

The FCO is at the heart of the international community's efforts to make sure that those who commit genocide, crimes against humanity and war crimes are held to account. In 2007 the international criminal tribunals, with UK support, made significant advances in this respect.

In May 2007 the International Criminal Court issued warrants for two people accused of crimes against humanity and war crimes in Darfur. Court investigations continued in relation to the Democratic Republic of Congo, Uganda and the Central African Republic.

In January 2008 the Special Court for Sierra Leone, sitting in The Hague, started to hear evidence in the trial of former Liberian President Charles Taylor for crimes against humanity and war crimes. This is the first time that a former African President has faced trial before an international tribunal. The FCO played a central role in bringing Charles Taylor before the Court, for example by passing legislation that will allow him to serve his sentence in the UK if he is convicted.

**Former Liberian President, Charles Taylor, in the courtroom of the International Criminal Court prior to the hearing in the trial against him, 7 January 2008**



### Lessons learned: GOF Human Rights Programme

In 2007 the FCO's Global Opportunities Fund (GOF) Human Rights Programme assessed a group of six rule of law projects introduced over the past five years. External consultants concluded that the projects represented good value for money, but the effect of two of the projects was limited.

The report noted that the more successful projects had identified appropriate interlocutors at different levels within the Chinese authorities and relevant Chinese partners. Also, the report noted, it was important to assign leading roles to the Chinese partners, in particular for discussions with policy-makers and law-makers.

The report concluded that international co-operation projects are most successful where partners and institutions see first-hand examples of national or international practice using different practical options for tackling issues of concern. The assessment highlighted the difficulties of making sure that projects have a collective impact, stressed the importance of greater strategic planning of projects, and recommended further development of rule of law work in China.

### Commonwealth Heads of Government Meeting (CHOGM)

The FCO set up a special six-person unit in the run-up to the CHOGM in Kampala in November 2007.<sup>51</sup>

Together with partners across Government, the FCO worked hard to achieve ambitious but deliverable outcomes for the CHOGM.

The Prime Minister, Gordon Brown, and four UK ministers attended the series of meetings with HM The Queen.

The Lake Victoria Action Plan on Climate Change took forward a number of UK ideas, in particular giving the Commonwealth a role in helping developing member states to set up assessments

to measure the effects of climate change on their economies. An ambitious membership paper was agreed, paving the way for Rwanda to apply to join the Commonwealth.

UK ideas on the Millennium Development Goals, education and international institutional reform were also adopted in the final official statement.

It was also HRH the Prince of Wales's first overseas CHOGM. He contributed by supporting the civil society events that took place.

<sup>51</sup> See [www.chogm2007.ug](http://www.chogm2007.ug)

### Related weblinks:

United Nations: [www.un.org](http://www.un.org)

Latest FCO Human Rights Report: [www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1028302592078](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1028302592078)

European Union: [www.europa.eu/](http://www.europa.eu/)

EU Reform Treaty: [www.europe.gov.uk](http://www.europe.gov.uk)

Slovenian presidency of the EU: [www.ue2008.si/en](http://www.ue2008.si/en)

OSCE: [www.osce.org](http://www.osce.org)

Council of Europe: [www.coe.int](http://www.coe.int)

Commonwealth: [www.thecommonwealth.org](http://www.thecommonwealth.org)

International Criminal Court: [www.icc-cpi.int](http://www.icc-cpi.int)

Special Court for Sierra Leone: [www.sc-sl.org](http://www.sc-sl.org)

ECOSOC: [www.un.org/ecosoc/](http://www.un.org/ecosoc/)

Human Rights Council: [www2.ohchr.org/english/bodies/hrcouncil/](http://www2.ohchr.org/english/bodies/hrcouncil/)

# How the new strategic framework relates to our PSAs

## **Comprehensive Spending Review (CSR) 2007 performance management framework**

In 1998 the Government introduced PSAs, which set government-wide goals for service improvements. PSA targets identify what departments plan to deliver in return for the resources allocated by HM Treasury.

2007/08 was the final year of the Government's 2004 Spending Review (SR04) period. In this Departmental Report we have given a final assessment of progress towards meeting our nine SR04 PSA targets. The FCO's delivery against the PSA sub-targets and performance indicators is set out in detail in Part 3 of this report (see page 141).

For CSR07 HM Treasury wanted to streamline the number of PSAs across Government, focusing on the highest priority outcomes. This has resulted in a reduced set of around 30 PSAs, reduced from over 100 during SR04. A further key innovation is that the new PSAs will be specifically 'cross-government' targets. Each PSA has a 'lead' department, which is responsible for driving and co-ordinating delivery, with a number of departments named as 'delivery partners'.

The FCO leads on:

PSA 30: Reduce the impact of conflict through enhanced UK and international efforts.

We are a delivery partner for four other PSAs:

PSA 3: Ensure controlled, fair migration that protects the public and contributes to economic growth.

PSA 26: Reduce the risk to the UK and its interests overseas from international terrorism.

PSA 27: Lead the global effort to avoid dangerous climate change.

PSA 29: Reduce poverty in poorer countries through quicker progress towards the Millennium Development Goals.



The FCO will also help with the international delivery of a number of other PSAs through the support and assistance provided by our network of posts.

The FCO's contribution to this reduced set of PSAs is only one small part of our overall work. Our key overall goals are set out in our new strategic framework, which highlights our global network, essential services, and policy goal objectives – see page 16.

We have agreed with the Treasury that these goals will form our departmental strategic objectives (DSOs) for CSR07. Our PSA targets are included within these broader DSOs. For example, our lead role on the conflict PSA (PSA 30) falls within our 'prevent and resolve conflict' policy goal.

As part of our 2008/09 business planning round, each of our DSO owners (generally FCO policy or service directors) produced a 'DSO plan' to identify the key outputs that they expect to deliver during the next three years.

Each of these outputs is in turn supported by a series of achievable outcomes, and by delivering these outcomes we will be able to measure our performance during the reporting period. Where relevant, the targets that we are committed to deliver for individual PSAs are included within the DSO plans.

We then commissioned country business plans (CBPs) from our network of posts around the world. Each CBP highlights the key objectives for the FCO and our partners across Government in that particular country, and identifies the outcomes we can deliver, so that we can measure our performance, identify our successes, and learn from our mistakes.

The FCO Board will carry out reviews every six months to hold DSO owners and geographic directors to account for performance against their business plans. This will make it possible for the Board to assess our overall progress, and to consider what changes we need to make to successfully deliver our DSOs.

# New partnerships across government



In his written ministerial statement<sup>52</sup> to Parliament on 23 January 2008, the Foreign Secretary, David Miliband announced the conclusion of the FCO's strategy review and noted that, to shift resources to the new policy goals and sharpen our strategic focus, it was necessary for the FCO to reduce the resources it puts into certain other issues. Notably, the FCO would reduce its involvement in those issues where other government departments in London are better placed to direct the Government's international priorities, in particular in the areas of sustainable development, science and innovation and drugs and crime.

The Foreign Secretary also made it clear that our ambassadors and their staff would remain heavily involved in these issues in countries where they are of priority importance to Britain, for example the fight against drugs in Colombia and against crime in Jamaica.

Our overseas posts will continue to act as a platform for all government departments, where they can place their own staff and resources to deliver their priority objectives overseas. Our embassies will continue to offer advice to government departments and their local representatives and act locally on their behalf wherever needed.

The following sections set out what the FCO has achieved in each of these areas in the last year, and summarises the arrangements agreed with other departments for carrying this work forward in future, on the basis set out by the Foreign Secretary, David Miliband.

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52 See [www.publications.parliament.uk/pa/cm200708/cmhansrd/cm080123/wmstext/80123m0001.htm#08012347000076](http://www.publications.parliament.uk/pa/cm200708/cmhansrd/cm080123/wmstext/80123m0001.htm#08012347000076)

### Working together worldwide: FCO, DfID and the MoD

The FCO works closely with many partners across Government to shape the Government's policies in London and to deliver them across the world. But in particular we have forged a unique partnership with the DfID and MoD and are working together to tackle conflict, its causes and effects. Each department brings a wealth of knowledge, skills and experiences and their own perspectives and, by working together, we can deliver a more effective response to complex problems than we could by working separately.

- Our joint approach to conflict prevention programmes has been maximised through our work with the DfID and MoD, which is funded through the Global and Africa Conflict Prevention Pools, and which we will continue through their successors the Stabilisation Aid Fund and the Conflict Prevention Pool.
- We are jointly responsible for delivery of the Government's Public Service Agreement (PSA) to reduce the impact of conflict (see page 149).
- We work increasingly with our partners DfID and MoD through agreed country business planning and strategies, which recognise that security and development are inter-dependent, and we train and exercise together to learn lessons and improve on these plans.
- The FCO, DfID and MoD set up The Stabilisation Unit, which has sent civilian advisers to and helped deliver projects in such countries as Afghanistan, Iraq, Lebanon and Nepal, in support of our shared objectives.
- In Kabul, DfID has supplied a press officer to the FCO-led British Embassy Press Hub, to brief journalists writing stories on reconstruction and development. The Ambassador regularly updates the Afghan people, on DfID and wider UK Government achievements in the region.
- In Iraq, the FCO, DfID, MoD and the Stabilisation Unit together reviewed how the UK supported the security and justice sector. This review led to the FCO and DfID setting up a joint project to build capability in the Iraqi Ministry of Interior.



(Left to right) Bill Jeffrey (PUS, MoD), Governor Wafa, Peter Ricketts (PUS, FCO) and Suma Chakrabati (PUS, DfID) on a joint visit to Afghanistan, April 2007

### Combined visit

This commitment to joint working was highlighted by the Permanent Secretaries of the FCO, DfID and MoD, who together visited Afghanistan in April 2007 and Iraq in December 2007.

Following the first visit, recommendations from a Stabilisation Unit study of the deployment to Helmand have led to improvements in the UK's capability in getting civilians into position quickly. The later visit laid the foundations for our current work on a cross-governmental Iraq strategy.

### Sharing overseas offices and services

The FCO is committed to sharing premises and services where it makes economic and business sense. We also recognise that when we share premises and facilities with others, we are more likely to co-operate and share information with them. For these reasons, we developed a shared service delivery plan with DfID officials in November 2006. Progress of this delivery plan is monitored every three months.

The plan focuses on those activities where better sharing of services will lead to real improvements in efficiency or in the quality of service provided. The plan also provides a basis for the FCO to achieve value for money from the services we share with DfID.

## Drugs and crime

The crime affecting the UK today recognises no borders. A recent UN report assessed that annual income from international organised crime could be as much as \$2 trillion (£984 billion) 'giving it more financial resources than all the military budgets worldwide'.<sup>53</sup> From trafficking in class A drugs and organised immigration crime, money laundering or tobacco smuggling to sex offences against children, all these offences have a foreign dimension.

The FCO's Drugs and Crime Programme funds projects to improve the capabilities of foreign law enforcement authorities or to tighten up criminal legislation overseas.

For example, in the run-up to Bulgaria and Romania's joining the EU, the FCO funded an exchange between the Metropolitan Police Service (MPS) and the Romanian National Police (RNP). As a result, the RNP has now introduced a pilot model of 'safer neighbourhoods' community policing, which incorporates MPS best practice and has helped refine RNP tactics, techniques and approach to reducing organised crime. FCO funding also funded two RNP officers on secondment to an MPS joint intelligence unit for eight months from September 2007 to look at the exploitation and trafficking of Romanian children to the UK.

We have also:

- supported reform of the Jamaica Constabulary Force, to combat organised crime in the UK that has links to Jamaica
- co-funded HM Revenue and Customs' (HMRC's) 'Operation Westbridge' to intercept drug couriers from Ghana which, with an investment of £250,000, made savings to the UK taxpayer of around £130 million each year and for which Westbridge won the Public Value Award 2007<sup>54</sup> and
- encouraged increased co-operation between law enforcement officials in the UK and Vietnam, which has helped the Metropolitan Police Service to tackle Vietnamese organised crime in the UK.

The FCO has also co-funded the training of foreign customs and financial investigators, thereby reducing the cost to the UK from VAT fraud, estimated at some £3 to 4 billion (2006/07).

The Home Office,<sup>55</sup> the Serious Organised Crime Agency<sup>56</sup> and HMRC<sup>57</sup> lead on policy and operational activity to reduce the threat to the UK from international crime. The FCO will remain engaged in these issues in Whitehall and in key countries. Where political influence is called for, our heads of mission will lobby and give diplomatic advice in support of our Whitehall partners, and our posts abroad will provide a base for their staff.

<sup>53</sup> *2007 State of the Future*. See [www.millennium-project.org/millennium/sof2007.html](http://www.millennium-project.org/millennium/sof2007.html)

<sup>54</sup> See [www.civilservicenet.com/index.php?id=231](http://www.civilservicenet.com/index.php?id=231)

<sup>55</sup> See [www.homeoffice.gov.uk](http://www.homeoffice.gov.uk)

<sup>56</sup> See [www.soca.gov.uk](http://www.soca.gov.uk)

<sup>57</sup> See [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

Colombian policemen arrange packages of marijuana after a confiscation 10 November 2007, in Bello Municipality, Antioquia department, Colombia. According to the authorities the 2.8 tons of marijuana is the biggest shipment seized in this year. The Caribbean is an established route for drugs trafficking from Columbia via Venezuela destined for the UK. The FCO has funded the UK Security Advisory Team training project in Eastern Caribbean to increase the capacity of Caribbean law enforcement authorities.



### Science and innovation

The FCO's science and innovation network (SIN) continued to promote the UK as the partner of choice in research and development, generating substantial foreign investment in the UK. For example, work with UKTI in India led to an estimated £100 million worth of investment in the UK in the biotechnology and pharmaceuticals sector.

The UK–Brazil Year of Science and Innovation, led by the FCO's science and innovation team in Sao Paulo, resulted in five memoranda of understanding being agreed between British and Brazilian scientific institutions. A further four partnerships are currently being negotiated, including an agreement between the UK research councils and their Brazilian counterpart.

With the support of science and innovation teams in China and the USA, Research Councils UK was able to open their first overseas offices. In Beijing this involved over 12 months of negotiation with the Chinese Government.

In Europe the Science and Innovation network (SIN) worked in specific regions, which meant that it was able to deliver an improved service to UK stakeholders, which was focused on better UK access to EU research funding under the Framework 7 Programme.<sup>58</sup>

Science and innovation are top priorities for the Government, and the SIN plays a crucial role in helping to deliver the objectives of many public sector bodies.

Following discussions between the FCO and the Department for Innovation, Universities and Skills (DIUS) it has been agreed that in the future, FCO and DIUS will co-fund the SIN, with DIUS assuming responsibility from the FCO for managing and tasking the network.

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<sup>58</sup> Framework Programme 7 (FP7) is the main financial tool through which the European Union supports scientific research and development activities in Europe.



Opening of Lashkar Gah bus station financed as one of the Quick Impact Programmes, which are jointly funded by FCO, MOD and DFID, December 2007

### Sustainable development and business

- The FCO put its new business<sup>59</sup> and trade union<sup>60</sup> stakeholder plans into action, with an intensified programme of contacts with companies, business organisations and unions feeding into policy-making, especially on EU and cross-cutting global issues.
- The FCO also implemented its first ever strategy on international corporate responsibility,<sup>61</sup> promoting UN work on business and human rights and prioritising partnerships – such as the Global Compact, Kimberley Process and Voluntary Principles – with companies in high-risk sectors working in sensitive parts of the world.
- With other partners across Government, the FCO championed the fight against international corruption, co-ordinating UK action under the OECD Anti-Bribery Convention and at the second meeting of the UN Convention Against Corruption.
- Complementing the work of UKTI, the FCO helped companies in the City of London and elsewhere to address issues as varied as investment regulations in the Middle East, concerns about US claims to extraterritorial jurisdiction and the economic impact of sovereign wealth funds.
- The FCO's Security Information Service for Business Overseas<sup>62</sup> – a joint project with the private sector – was significantly upgraded.
- The FCO made progress towards negotiating bilateral investment treaties with other countries and stronger international maritime rules, including continental shelf claims, under the Law of the Sea Convention.
- Under its Sustainable Development Action Plan<sup>63</sup> the FCO worked towards:
  - better international environmental governance
  - environmental democracy and
  - improved management of natural resources such as timber, especially through the UK's negotiations about sustainable development with key emerging economies.
- Under the new strategic framework, several of these areas of activity are being transferred to BERR, DfID and DEFRA, while others will be handled by different parts of the FCO.

59 See [www.fco.gov.uk/Files/kfile/Stakeholder%20plan%20for%20business.pdf](http://www.fco.gov.uk/Files/kfile/Stakeholder%20plan%20for%20business.pdf)

60 See [www.fco.gov.uk/Files/kfile/plan%20for%20trade%20unions%20\(3\).pdf](http://www.fco.gov.uk/Files/kfile/plan%20for%20trade%20unions%20(3).pdf)

61 See [www.fco.gov.uk/Files/KFile/CSR%20Strategy%202007-08%20\(2\).pdf](http://www.fco.gov.uk/Files/KFile/CSR%20Strategy%202007-08%20(2).pdf)

62 See [www.fco.gov.uk/sisbo](http://www.fco.gov.uk/sisbo)

63 See [www.fco.gov.uk/en/fco-in-action/institutions/britain-in-the-european-union/eu-policies/sustainable-development/sustainable-development](http://www.fco.gov.uk/en/fco-in-action/institutions/britain-in-the-european-union/eu-policies/sustainable-development/sustainable-development)



## Part 2: Organisation and change

- Corporate governance
- Communication and public diplomacy
- Change in the FCO
- The FCO's major change programmes



# Corporate governance

This year, the FCO continued to strengthen its corporate governance structures, in line with the *Treasury's Code of Good Practice for Corporate Governance in Central Government Departments*.<sup>64</sup> From April 2007 there were several changes to the membership of the FCO Board (see page 10-11) and these, combined with the experience of our non-executive directors, have increased its overall professional managerial expertise.

Throughout the year, Board members also continued to receive further training in skills development – for example on performance management, board effectiveness and disability and diversity awareness – in keeping with Professional Skills for Government. The FCO has appointed new Board-level champions on diversity, including gender, race, disability, sexual orientation and flexible working. The Board held two away days to continue developing their effectiveness as a team and to discuss the challenges ahead for the FCO, with FCO ministers attending one of these away days.

The FCO's Permanent Under-Secretary, Peter Ricketts, has taken further steps to involve senior leaders across the network in corporate decision-making. For example, he has expanded the membership of the Senior Leadership Forum, which brings together the Board and the most senior heads of posts twice a year, to discuss key foreign policy and corporate issues. New members have joined the Forum from small and medium-sized posts to make it more representative of the network overseas.

The annual FCO Leadership Conference brings together in the UK all heads of overseas posts and senior management. The Conference aims to strengthen our corporate leadership, discuss key policy issues, and make sure the Government's international agenda is delivered across the network. The theme of this year's conference in March 2008 was 'Delivering the Strategy', and focused on the FCO's new strategic framework.<sup>65</sup> The Foreign Secretary, David Miliband, presented the first 'Foreign Secretary's Awards for Future Leaders' at the 2008 conference. The new award scheme aims to recognise, celebrate, reward and encourage strong leadership in the FCO.

<sup>64</sup> HM Treasury, *Corporate Governance in Central Government Departments: Code of Good Practice*, July 2005: [www.hm-treasury.gov.uk/media/7/5/corpgovernancecode280705.pdf](http://www.hm-treasury.gov.uk/media/7/5/corpgovernancecode280705.pdf)

<sup>65</sup> The speech by the Foreign Secretary, David Miliband, to the Leadership Conference is available at: [www.fco.gov.uk/en/newsroom/latest-news/?view=Speech&id=3060498](http://www.fco.gov.uk/en/newsroom/latest-news/?view=Speech&id=3060498)

### **Risk framework**

The FCO's risk management framework allows us to identify, assess and manage risks at all levels of the organisation. It also takes account of information passed from posts overseas to the FCO Board, and is included in their quarterly reviews of the top risks register. These so-called 'top risks' are identified through the strategic and operational risk registers. These registers are supported by the Risk in the Network reporting structure and individual countries' business plans, which help regular reviews from overseas posts on risk.

The changing nature of risk means that the FCO is continually making improvements to its risk management framework. During 2007/08 we concentrated on making the process clearer and more effective. We place particular emphasis on integrating risk management into our business planning process, and on delivering specific training on risk to staff, including heads of mission, management officers, and the staff involved in business planning. This has helped to create broader understanding of and responsibility for the risk process amongst staff. Positive feedback from staff and auditors shows that the FCO has made significant progress in these areas.

### **Business continuity**

An independent report on the FCO's business continuity arrangements published in January 2008, found them to be in line with the British Standard on business continuity (BS25999, published in November 2007). All FCO directorates have individual business continuity plans, which have been revised to bring us closer to the Standard. Across the FCO, staff are well aware of how best to respond to a major emergency.

The FCO has been regularly practising its business continuity plans since early 2007 to make sure they remain up to date and relevant. Exercises are planned for 2008 to test staff relocation and our remote capability. Since June 2007 the FCO Board has also carried out two major exercises, which have helped to further develop a culture of crisis management at senior management level.

### **Freedom of Information Act**

The FCO received 1,027 requests in 2007. We achieved a 98% success rate in responding to requests within permissible deadlines. Of the requests we received, 40% were disclosed in full or in part; 34% were refused, including requests likely to exceed the cost limit and vexatious and repeated requests; and we either held no information or sought clarification on the remaining 25%. The number of complaints to the Information Commissioner fell to 17, compared with 50 in 2006. The FCO has been involved in seven appeals to the Information Commissioner.

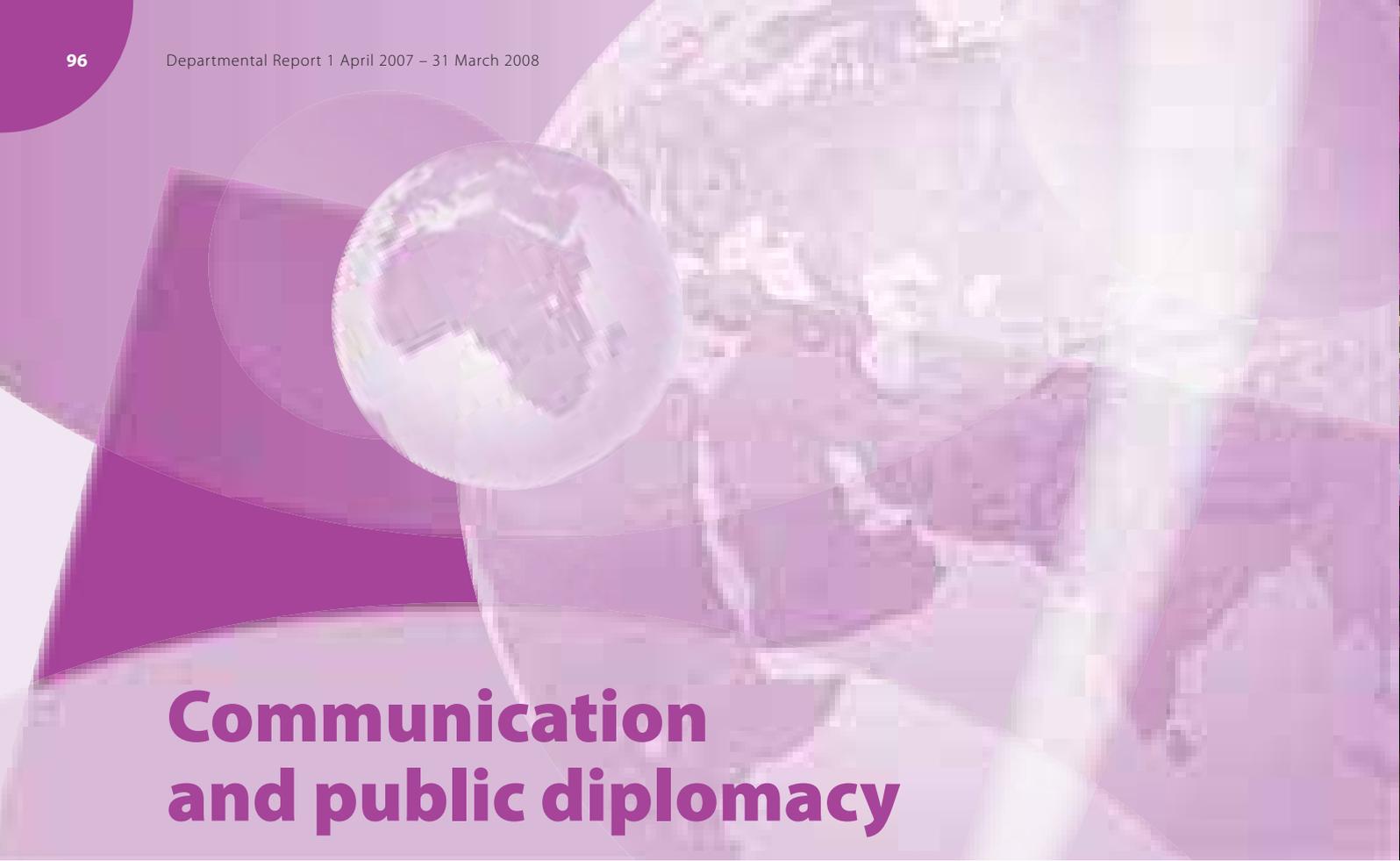
### **Data Protection Act**

In November 2007, the Information Commissioner found that the FCO had breached the Data Protection Act (DPA) as a result of a security breach on the Visa Facilitation Services (VFS)<sup>66</sup> online visa application facility. The FCO was required to sign a formal undertaking to comply with the principles of the DPA and the VFS online application was replaced. UKvisas has since undertaken a strategic review of its data processing and implemented an audit of data security procedures.

The FCO wrote to the Information Commissioner on three occasions to inform him about potential personal data losses. The personal data which may have been lost was contained in five missing diplomatic airfreight packages containing among other material: 36 visa appeal documents; one missing diplomatic airfreight package containing 15 passport applications; and one missing laptop belonging to an honorary consul that contained personal details, mainly names and addresses, of 70 consular assistance cases. The companies concerned are still searching for these missing packages (a tiny fraction of the more than 100,000 airfreight packages the FCO sends and receives every year). The FCO wrote to the individuals concerned to inform them of the data losses. The FCO takes these incidents seriously and is taking measures to minimise the risk of similar incidents recurring.

The FCO will be taking forward the new processes and minimum standards on protecting data set out in the Government's review of data handling, which reported in April 2008.

66 Visa Facilitation Services is a commercial partner of UKvisas.



# Communication and public diplomacy

## Communication

Effective communication with the public, both in Britain and overseas, is key to delivering the FCO strategy. Over the past year, we have taken significant steps forward to improve the way we do this.

For this communication to be effective, it must be genuine engagement. More and more, we need to bring thinking and ideas from outside the FCO into our policy-making processes to create joint solutions, and to work with others to deliver these solutions. The FCO has always done this. But we need to do this more systematically and by using new tools and technology.

The biggest single change we have made has been to set up a unified Communication Directorate. The new Directorate is responsible for four key areas:

- developing new theories and models of communication that help the FCO's network to turn these into practice
- the FCO's direct engagement with the public through the UK-based media, its own website, and our scholarship and fellowship programmes

- the relationships with the major FCO-funded public diplomacy partner organisations – the BBC World Service, the British Council, British Satellite News and Wilton Park and key stakeholders, and
- improving two-way communication with our own staff, and strengthening the links between UK and overseas posts.

## Developing the model and supporting the network

The Public Diplomacy Board, chaired by the Minister for Europe, Jim Murphy, has continued to develop and test a more effective theory of public diplomacy. In particular, it has set up a series of pilot public diplomacy projects focused, respectively, on climate security (see page 71), democracy and supporting UK business. These pilots have provided the opportunity for testing different aspects of public diplomacy work, including stakeholder analysis, evaluation techniques, joint working with the British Council and using more creative products.



Presenters on the BBC's Arabic television service, Osman Ayfarah and Fida Bassil, which was launched in March 2008

The Director of Communication, Lucian Hudson, has led a corporate communication change programme – *Making Communication Mainstream* – which is geared to supporting heads of mission and their policy and communication teams.

The Communication Directorate has developed new skills-based training courses for key communicators, including one specifically for heads of mission. And we have also developed a new strategic communication consultancy team to provide targeted support to the network on specific communication issues. In 2007/08 this team has been particularly active in supporting the FCO's work on climate change.

The stakeholder engagement team has been reviewed and will continue to focus on providing a consistent approach to getting organisations involved in developing and delivering our policies. The team has developed frameworks and toolkits to help feed these principles into all areas of our work. This is a move away from its previous and traditional outreach activity.

We plan to draw together our learning from our work over the past couple of years into an FCO publication to be released later in 2008.

#### **Direct communication**

The FCO Press Office has been restructured to create a smaller, high-calibre team with an emphasis on developing innovative and productive relationships with our most important media contacts.

We have been reforming and improving our scholarship and fellowship work, to make sure that it creates the networks we need to deliver our key policy outcomes over the coming years.

We now have a smaller, better-organised scholarship programme that is focused on the leaders of tomorrow. In 2007 we carried out a substantial review of our Chevening Fellowship Programme,<sup>67</sup> which we found was delivering well against its objectives. We have launched a new £0.5 million fund to build a stronger alumni (former students) network and have begun a consultation process to increase the level of engagement that British business and partners across Government have with our scholars and fellows.

<sup>67</sup> See [www.chevening.com](http://www.chevening.com)



**Minister for Europe, Jim Murphy, with members of the Commonwealth Scholarship and Fellowship Plan at an FCO reception, 12 November 2007**

The FCO completed its FCOWeb project, which replaced the old FCO website with a new one. The £20 million project, which remains on time and on budget, will provide a fast and resilient new system using leading-edge technology for all users. We have redesigned the structure and the 'look and feel' of all FCO websites and we have reviewed their content. The new system will be introduced between March and September 2008.

A key challenge for the FCO in the coming months and years will be to move from using the internet as a way of delivering information to using it as a forum for genuine discussion with the public in the UK and overseas. We have recruited a new head of digital engagement to take this work forward, and we will report on progress next year.

As part of our work to make better use of the internet, we have been experimenting this year with online social media, and have launched a series of new collaborative tools (at: <https://blogs.fco.gov.uk>, <http://uk.youtube.com/ukforeignoffice> and [www.flickr.com/foreignoffice](http://www.flickr.com/foreignoffice)).

A blog is an online diary that other people can add their comments to. The FCO blogs<sup>68</sup> have generated a great deal of interest. For example, the Foreign Secretary, David Miliband, has posted regular text and video blogs on key foreign policy issues. Our Ambassador to Afghanistan, Sir Sherard

Cowper-Coles, has contributed several blogs a week, often with photographs and videos. A new entrant, Sarah Russell, began blogging before she started work at the FCO and kept a blog about her induction and first few weeks in the Office. Many other staff have contributed blogs during the year.

### **Public diplomacy partners**

During 2007/08, the FCO worked closely with the key grant-in-aid-funded public diplomacy partners as they streamlined their operations and focused increasingly on high priority work.

The BBC World Service,<sup>69</sup> which in 2007/08 received £255,043,000 in FCO funding, continued to reach record audiences across the globe (183 million recorded in 2006/07). It also strengthened its commitment to future media through increased interactive programming and online video content. It launched a 12-hour daily Arabic television service on 11 March 2008, which will increase to 24 hours a day in 2008/09. It is preparing to launch Persian television in 2008/09.

In 2007/08 the British Council<sup>70</sup> received £194,162,000 in grant-in-aid funding and worked directly with 17.3 million people. It refocused its grant-in-aid resources in the regions and countries of highest priority to the UK, in particular the Middle East and Asia. It also redefined its strategic objectives, with a renewed focus on climate change,

68 A blog is an online diary that also allows people to comment on the content.

69 See [www.bbc.co.uk/worldservice](http://www.bbc.co.uk/worldservice)

70 See [www.britishcouncil.org](http://www.britishcouncil.org)

creative economy and dialogue with representatives from different cultures. In the 2007 comprehensive spending review the British Council received additional funding for the Reconnect element of its Intercultural Dialogue programme.

The FCO continued to work closely with Wilton Park,<sup>71</sup> which has maintained its status as one of the world's leading academically independent institutions for dialogue on major issues of international policy. In 2007/08 Wilton Park brought together foreign policy practitioners and experts from Britain and around the world for 47 conferences. These conferences covered a wide range of topics, including nuclear non-proliferation, tackling counter-insurgency, global migration, responding to disasters, Kosovo and engaging with Islamic youth.

The FCO-funded British Satellite News (BSN)<sup>72</sup> has continued to provide high quality, independent daily TV news footage to over 500 overseas broadcasters, focusing on British engagement with the Arab and Islamic world, climate security and the promotion of UK science, technology and business. BSN is now also an important provider of broadband video for the FCO in both English and Arabic, contributing to the development of FCO online Web 2.0<sup>73</sup> platforms.

Further information on the work of the BBC World Service, the British Council, BSN and Wilton Park is available on their websites.

### Internal communication

The internal communication team played a key role in realising and communicating the new strategic framework to staff across the FCO network, using the full range of its communication channels. Building on feedback received from staff in the effectiveness of corporate communication survey in January 2007, the team revamped and improved several key communication tools, including the in-house staff magazine, News+Views, and intranet, FCONet. Over the coming year, the team will focus on exploring new technology to convey messages in a more interactive and personalised manner.

### Staff survey 2007

In December 2007 the FCO ran its annual feedback survey among its 16,000 staff.<sup>74</sup> The survey asked for their views on their jobs, working environment and career progression and the results gave the FCO Board information about current levels of staff satisfaction.

The results, published in February 2008, were positive in many areas (and generally higher than the government average). Staff feel that they are doing something worthwhile and there is a great deal of pride in the organisation. There are also signs of improvement in those areas where the FCO has been weak in the past – notably on change and management. But we need to continue to improve in some important areas, such as providing job security and promotion opportunities.

The Board is acting on the results. The Director General, Change and Delivery, James Bevan, is leading the work to address the key concerns and tackle areas for improvement.

<sup>74</sup> 49% of staff completed the survey (65% of UK-based staff and 39% of local staff).



The homepage of the new FCO website

<sup>71</sup> See [www.wiltonpark.org.uk](http://www.wiltonpark.org.uk)

<sup>72</sup> See [www.bsn.org.uk](http://www.bsn.org.uk)

<sup>73</sup> Web 2.0 is a phrase used to describe the latest generation of interactive, community-based web tools.

# Change in the FCO

The FCO's role is to pursue the UK Government's international agenda and deliver services to British citizens. The point of the FCO's change programme is to make the organisation better at doing this in the 21st century. This section sets out in more detail the FCO's individual change programmes, but in summary the FCO is modernising in five big areas:

- **what we do:** clearly defining our role to deliver better for the Government and the British people at home and abroad
- **who we are:** strengthening our people and their skills
- **where we operate:** putting our posts and people where our biggest priorities now lie
- **how we work:** improving our day-to-day operations and our management of resources and
- **how we change:** establishing a culture of ideas and new methods, and trying to anticipate the future so that we are ready to adapt as necessary.

## Managing change

The FCO has strengthened its change management structure by appointing James Bevan as Director General, Change and Delivery. He is responsible for the successful delivery of the FCO's overall change programme. The Director for Change, Louise Boyle, has also been appointed to lead a new Change Unit, which co-ordinates and supports the delivery of the FCO's change programmes.

We have now set up a Change Committee, chaired by James Bevan. The Committee aims to create a 'joined-up' and logical structure to the FCO's change programmes so that they are delivered quickly and effectively. The FCO High-level Change Plan provides staff with an easy to understand summary of the FCO's main change programmes.





#### Biometric scanning process

#### Capability Review

The Capability Review of the FCO was published in March 2007.<sup>75</sup> It identified many positive aspects of the FCO's performance and recommended improvement in four areas:

- the FCO's distinctive contribution to delivering the UK's objectives overseas
- strengthening our change management
- business planning processes to underpin performance measures and resource allocation and
- developing human resources as a strategic management function.

The FCO has worked to address these areas. In October 2007 the FCO Board met the Cabinet Secretary, Sir Gus O'Donnell, and members of the Capability Review Team to review progress.

The overall outcome was positive. The Cabinet Secretary, Gus O'Donnell, and the other reviewers welcomed the significant progress we were making in three of the key action areas:

- the FCO's distinctive contribution to delivering the UK's objectives overseas
- strengthening our change management and
- business planning processes to underpin performance measures and resource allocation.

They pressed for the FCO to pay further attention to developing human resources as a strategic management function. In December 2007 the FCO produced its first strategic workforce plan, which was intended to improve our human resources functions as recommended by the Capability Review Team.

<sup>75</sup> See [www.civilservice.gov.uk/documents/capability/pdf/Capability\\_Review\\_FCO.pdf](http://www.civilservice.gov.uk/documents/capability/pdf/Capability_Review_FCO.pdf)

# The FCO's major change programmes

## People strategy

The FCO produced its first strategic workforce plan in December 2007. The plan considers:

- what the demands on the FCO are likely to be in five years and beyond
- what size and shape of workforce the FCO will need to meet these demands, and what skills our staff will need, and
- what this will mean for current and future recruitment, training, promotion and retirement.

The Plan's aim is to make sure that the FCO is better equipped to identify and adapt to changing staffing needs in the future.

The FCO is also strengthening its talent management. We have assessed the skills and performance of all 400 of our senior management staff. This has identified potential candidates for top leadership positions in the future and how we can best help them to develop the right skills and acquire relevant experience to fill these positions effectively. These assessments also help those with more limited prospects to plan their future careers inside or outside the FCO. We are now extending the talent management process to other grades below senior management.

To broaden our skills and horizons, the FCO is encouraging staff at all levels to consider spending part of their career outside the FCO – for example with another government department or in the private or voluntary sector. At the same time, the FCO is advertising all senior FCO vacancies across Government.

Posts overseas employ around 10,000 locally recruited staff. These staff members make an important and impressive contribution to the delivery of our international priorities. To get the best out of the talents and skills of our local staff, the FCO has produced a local staff management strategy. This strategy aims to promote a more consistent and professional approach to recruiting, developing and managing our local staff.

The FCO's in-house language training function closed in October 2007. We have now signed new language training framework agreements with 15 professional suppliers. Between two and five providers will offer tuition for each one of the 60 main FCO languages. These new arrangements provide greater flexibility while maintaining high quality and standards at a reduced cost.

Meanwhile, the FCO continues to look for ways of simplifying our human resources processes, reducing the resources devoted to administering the organisation. IT systems now allow staff to update their own leave and sickness absence records online. The FCO has also simplified the administration and auditing of travel expenses by UK staff serving overseas.

**Heads of mission outreach visit to Tower Hamlets College, London. Tower Hamlets is one of the FCO's Partner Schools, ranked by Ofsted as 'outstanding' for educational and social inclusion. L-R: Fraser Wilson (HMA Tirana), Michael Shearer (assistant director diversity and equality), Barbara Hay (CG Istanbul) and Alp Mehmet (HMA Reykjavik)**



### **Diversity: making the most of difference**

If the FCO is to recruit and retain the best talent available across our global network we need to offer a working environment that is open and inclusive – wherever we operate.

In June 2007 the FCO Board took part in a special 'Dining with a Difference' event, designed to give members a new perspective on how disability issues affect the organisation. The overall aim of the event was for each Board member to consider, in practical terms, what the FCO needs to do to improve its performance on disability issues.

Six Board members now champion different aspects of diversity to bring about the changes needed. In March 2008 the FCO produced its first annual diversity report, which outlines our successes and areas for improvement in 2007 and the challenges we face in creating a more diverse and inclusive organisation.

In 2007 the FCO also developed Making the Most of Difference, a practical and interactive one-day diversity and inclusion workshop held at post.

After test runs at posts in China and Nigeria, the FCO launched the workshop in Afghanistan in October 2007 and has since run it in six other countries in Asia and Africa. Nearly 30 posts ran the workshop in the first quarter of 2008.

### **HM Ambassador to Afghanistan, Sir Sherard Cowper-Coles, said after the workshop:**

*"As well as being one of Britain's largest overseas missions, Kabul is one of our most diverse. Not just in terms of visible diversity (having in the team people from different ethnic backgrounds, both British and Afghan, and colleagues with disabilities), but also because the team includes staff from across the range of British Government departments and agencies, civil and military, with very different cultural experiences and expectations.*

*What made the workshops such a success was that, as well as making a real contribution to our operational effectiveness, they were also fun. They provoked discussion and comment, and gave us all insights into ourselves, and into how our colleagues see us. We were the better for it.*

*Every post, every team, should have one."*

### Five Star Finance

Five Star Finance is the FCO's programme to improve its financial management capability. By April 2009 the FCO aims to:

- be recognised as the best government department for managing its finances
- use simplified, standardised and streamlined processes and tools to make sure that we get things right first time and make best use of our limited resources
- become a department that others look up to and want to learn from and
- actively strive for excellence and deliver an efficient and effective service to our customers, while at the same time developing our skills and knowledge.

'Five star' refers to a rating scale devised by the National Audit Office, with one star as the weakest and five stars being the best. At a five-star level, the FCO will have high quality monthly management reporting which is created by reliable data systems and used by highly trained personnel to support key decision-making.

There are a number of projects in this programme, including making improvements in IT, processes, skills and communications. Management information will improve to make sure that monthly reporting is of the same high standard as the annual accounts for Parliament. By removing duplication and unnecessary activities, we will use this programme to contribute towards the efficiencies agreed with HM Treasury, which are to reduce the number of staff carrying out finance activities by 20% during the period 2008/09 to 2010/11.

The FCO is on course to achieve four stars by autumn 2008.

### Consular strategy programme

The FCO published a three-year consular strategy<sup>76</sup> in May 2007, and launched a major change programme to deliver it. So far we have delivered:

- fully revised staff guidance, structured around the public guide *Support for British Nationals Abroad*<sup>77</sup>
- fully tested training for all consular staff overseas
- greatly improved management information, by using time recording from all staff giving us information about trends, workloads and productivity and a performance measurement scorecard for all posts
- the first eight of 19 consular regional directors – these directors provide advice and guidance, make sure that levels of services are consistent and improve efficiency in their regions, by linking posts for the first time to a global network that is itself linked directly to policy-makers in London
- LOCATE,<sup>78</sup> an online service for British nationals to register with our consulates and for reporting people affected by or missing during a crisis overseas and
- guidance for posts to help them provide a more consistent service such as how often they can arrange prison visits.

Over the next year, the FCO plans to:

- appoint nine more consular regional directors
- offer an externally accredited and internationally recognised qualification to staff who want to pursue it
- streamline our overseas network to make it more efficient and give us a more flexible workforce overseas
- make more services available online and extend the number of posts able to accept payment by credit or debit card and
- install the necessary equipment to divert out-of-hours consular calls directly to our experts in London.

For more information on our consular work, see page 40.

<sup>76</sup> See [www.fco.gov.uk/Files/KFile/Consular%20Strategy%202007.pdf](http://www.fco.gov.uk/Files/KFile/Consular%20Strategy%202007.pdf)

<sup>77</sup> See [www.fco.gov.uk/Files/kfile/consularfullguide,2.pdf](http://www.fco.gov.uk/Files/kfile/consularfullguide,2.pdf)

<sup>78</sup> See <https://www.locate.fco.gov.uk/locateportal>

### Passports Next Generation Programme

This programme was launched in June 2006 to set up a more streamlined passport operation, in line with the Identity & Passport Service (IPS)<sup>79</sup> and in support of the National Identity Scheme (NIS).

As individual projects took shape, it became clear that they overlapped with IPS programmes in key areas, including the development of sophisticated and expensive technology. This led to the programme focusing on how the FCO and IPS could combine their respective operations to deliver a more sustainable passport service overseas. The FCO Board approved the case for integration in February 2008. The IPS Management Board will review the case in April 2008.

Meanwhile, the programme continued to analyse future business needs to prepare the ground for change, in readiness for the outcome of the integration study. So far we have:

- introduced a structured approach to passport interviews, based on current FCO best practice and in keeping with the IPS' authentication by interview (ABI) procedures
- introduced a new training module in interviewing skills
- represented FCO interests on IPS and NIS project boards and at the IPS business change network
- taken part in conferences dealing with consular change and
- decided on the content and layout for a new emergency travel document and begun work on it.

During 2008 we plan to:

- continue work with IPS on a transition plan for integration
- roll out ABI to all posts
- pilot the use of remote interview technology in at least one overseas post and
- develop the new systems for emergency travel documents.

The main risk to the programme continues to be whether we can meet the cost of these changes from the passport fee. On current forecasts, we believe that we can do so, and we will continue to improve efficiency in our overseas passport operation. We will also work to reduce our day-to-day costs by using in-house resources and expertise in the programme wherever possible.

### UKvisas

Huge growth in passenger numbers entering the UK demands a new approach to onshore and offshore border controls. Since 2001 the demand for visas has risen by over 50%.

UKvisas has to be a modern and professional organisation to cope with the rising level of visa applications and increased security threats, and still maintain excellent customer service. It is vital to make it easy for legitimate travellers to visit the UK, or they will go elsewhere. So, over the past year, UKvisas has put in place a comprehensive programme of change to deliver its services in new ways, such as:

- using biometrics and risk assessment units
- extending and standardising visa application centres, which are operated by commercial partners and
- developing a 'hub and spoke' operating model.

### Biometrics and risk assessment

By analysing data collected from post and intelligence gathered from the UK, UKvisas has been able to build up a sophisticated picture of trends in immigration abuse. Biometric identity management systems store identities, and provide details about the person concerned, and so indicate levels of risk. Understanding and identifying high-risk visa applicants makes it easier to identify and welcome low-risk customers.

<sup>79</sup> See [www.ips.gov.uk](http://www.ips.gov.uk)

In January 2008 UKvisas completed the introduction of biometric data collection around the world, under budget and several months ahead of schedule. Anyone applying for a UK visa, wherever in the world they apply, must now provide finger scans. Every month, these biometric checks are currently identifying around 1,000 applicants whose fingerprints are on record in connection with an immigration or asylum matter, and around 100 people applying under an assumed identity.

In August 2007 UKvisas and the National Police Improvement Agency signed a five-year contract to upgrade biometric checks so that they can check fingerprint data against criminal and counter-terrorist records. Work began on these improvements, which will cost £27.4 million, during spring 2008.

The UKvisas risk assessment network was expanded in 2007 and now has global coverage. Over 90% of visa applications are now processed at posts, and we have a dedicated risk assessment unit. The risk assessment operations centre is based in the UK and it provides remote support for all other posts dealing with low risk and low volume applications.

### Commercial partners

In February 2007 UKvisas signed contracts with commercial partners to standardise and extend the network of visa application centres in the UK, which have been introduced throughout 2007/08. These two commercial partners now run over 100 visa application centres, which together process nearly 90% of all applications for UK visas. Benefits to customers include:

- more staff, delivering a more consistent and efficient services for customers
- an increased number of places where people can apply for a UK visa
- longer opening hours and
- a more convenient service.

### Hub and spoke

In 2007 UKvisas began to introduce a hub-and-spoke operating model across the network where it makes operational, business and customer sense to do so, using a variety of models. Hub and spoke – based on the structure of a bicycle wheel – allows certain types of work to be handled by hubs or specialist centres. This system has economic advantages that help to improve consistency in decision-making and deliver the most efficient service:

- Decision-making which is concentrated in regional processing centres ('hubs') that sort and process most of the applications received in the region, and make decisions about all the straightforward applications based on clearly defined criteria.
- Operational hubs that focus on more complex cases by carrying out risk assessments, liaising with local authorities, verifying documents and interviewing visa applicants.
- The 'spokes', which are mainly our commercial partners, receive visa applications, collect biometric data and make an initial assessment to separate the complex and straightforward applications, and provide remote interviewing facilities.

A key benefit of this operating model is that while their commercial partners are performing the front office function, core UKvisas staff can concentrate on risk assessment and decision-making. Expanding these kind of commercial partner arrangements at the customer-facing end of the business, combined with advances in technology – including biometrics – is also providing the flexibility to move some UKvisas offices to regions with high levels of expertise but lower running costs.

## The future

In November 2007 the Prime Minister, Gordon Brown, announced the creation of the UK Border Agency (UKBA).<sup>80</sup> On 1 April 2008 UKvisas merged with the Border and Immigration Agency and parts of Her Majesty's Revenue & Customs to create the UK Border Agency.

The UK visa service will sit within the wider international group of UKBA and will continue to act as the main delivery agent for offshore migration control. A new Liaison and Intelligence Directorate will bring together risk assessment, airline liaison and other networks, increasing intelligence flows between the UK, the visa service and law enforcement partners internationally. The international policy section will develop action plans for priority countries, working closely with the FCO to achieve objectives relating to asylum, returns and data-sharing among other things.

In preparation for the merger on 1 April, the FCO signed a memorandum of understanding with the Home Office in January 2008. Under the terms of this agreement, the FCO will continue to have a supervisory role that we may use to review performance and policy relating to the overseas network. The FCO director-general responsible for migration (or their representative) will have the right to attend the UKBA Board and the UKBA Extended Board.

*For more information on our visa operation and migration work please see page 46.*

## UK Trade & Investment (UKTI)

UKTI's change programme supports delivery of its five-year strategy, *Prosperity in a Changing World* (July 2006).<sup>81</sup> The strategy aims to maximise the opportunities for British business and the benefits to the UK economy of globalisation through:

- professionally marketing the UK economy internationally
- closer partnerships across Government and with business and
- increased focus on the customers and markets where the strategy can make the most difference, including high growth markets and research and development sectors.

To be successful, UKTI needs to change its whole culture, so that it focuses on the client, and is led by marketing and driven by performance.

UKTI's change programme has led to some significant restructuring to support the strategy:

- Posts in our headquarters have reduced by 115 to around 475 since July 2006.
- 90% of UKTI's people are now in frontline roles overseas, in the English regions, or in customer-facing service delivery in our headquarters.
- £5.6 million of UKTI's resources overseas moved to 17 high growth emerging markets, with corresponding savings, mainly in more developed markets.
- In posts where resources have been reduced, staff structures have been reorganised to deliver the best results, including regional 'hub and spoke' arrangements and some teams led by local staff.

To support its focus on the client, UKTI has introduced a web-based system to manage its customer relationships, and this should create a more effective, professional service to clients. This system works by increasing UKTI's professionalism through a new learning and development programme, informed by a skills audit, which includes in-depth training in customer relationship management skills and marketing.

UKTI is building a performance-driven culture, with clear and measurable targets in place for 2008/09 to 2010/11. Most of these targets are measured through UKTI's performance and monitoring surveys, which involve telephone interviews with around 3,000 UKTI customers a year, carried out every three months by independent market researchers. The surveys provide evidence that UKTI delivers real outcomes for the UK economy. Over the 12 months to March 2008, 57% of UKTI's trade customers reported an improvement in their business performance as a direct result of UKTI's services. UKTI services also accounted directly for an estimated £2.5 billion added value to the UK economy over 2007.

<sup>80</sup> See [www.pm.gov.uk/output/Page13758.asp](http://www.pm.gov.uk/output/Page13758.asp)

<sup>81</sup> See <https://www.uktradeinvest.gov.uk/ukti/fileDownload/UKTIStrategyJuly2006.pdf?cid=391741>

The next stage in UKTI's change programme is to transfer responsibility for supporting defence exports from the Defence Exports Services Organisation<sup>82</sup> to UKTI from 1 April 2008. This will involve transfer of around 240 posts. A high-level implementation plan was published in December 2007 and a dedicated implementation team began work in January 2008 to help this transfer go smoothly.

*For more information on our trade and investment work please see page 32.*

### Shared Services Programme

The FCO has set up the Shared Services Programme to transform the way it runs its global network, by taking full advantage of its resource planning system, Prism, and by drawing on best practice from the public and private sectors to roll out shared services in a phased programme.

In September 2007 the FCO Board endorsed the following vision for the Shared Services Programme in the FCO:

"Through the implementation of Shared Services, the FCO will spend less time, effort and money on running itself. We will do this through:

- the creation of **Shared Service centres**, to deal with all financial, procurement and, ultimately, human resources transactions in a single unified online structure for the FCO network and
- greater and better use of **shared contracts**, to get the best value for money in buying goods and services.

Our staff, customers and suppliers will benefit from simplified, standardised and streamlined services. We will be better at accounting for our use of taxpayers' money. And our delivery of the FCO's strategic framework will be enhanced through better management information, and a streamlined and more agile network.

Achieving cashable benefits during the course of implementation is important. But this will be treated as a consequence of the programme, not its main driver."

By April 2011 the programme aims to put in place:

- **Shared Service centres** to cover the UK, Europe, Asia/Pacific and Americas with an initial focus on finance and procurement processes
- a number of **regional facilities management** contracts and
- **procurement optimisation** to achieve better value for money through regional and global deals.

Putting into practice the Board's vision has already begun. We have set up a UK processing centre at our offices at Hanslope Park near Milton Keynes. Since October 2007 the centre has been responsible for processing all invoices for the FCO in the UK. A small team of professionals now handles centrally work that was previously scattered across FCO departments in the UK. This has resulted in:

- reduced staff numbers
- us being able to pay our invoices more quickly and
- a clearer picture of the FCO's overall financial position.

In the coming months this processing centre will expand to cover other procurement and financial processes and it is the first step towards having a fully functioning Shared Services centre in the UK.

At the same time, the FCO has begun work on outsourcing our facilities management services for our UK premises and for 14 posts in north-west Europe. This is a major procurement exercise, and we are conducting it through a new process known as competitive dialogue. This is only the third time that the Government has used competitive dialogue for a facilities management contract. The FCO hopes to put in place similar contracts for the rest of Europe and in certain other developed markets by 2011.

By outsourcing to these services to businesses who specialise in this kind of area we can:

- get better value for money
- set service standards and
- free up FCO resources for other activities.

<sup>82</sup> See [www.deso.mod.uk](http://www.deso.mod.uk)

We have also analysed FCO expenditure on certain goods and services and we are working to deliver the best value for money for the FCO by shopping around for these goods and services. We have identified clear savings opportunities through negotiating contracts for groups of posts – or the whole overseas network – by using the negotiating power of the whole FCO to secure better deals than individual posts could achieve. We expect this to produce significant savings over the next three years.

### FCO Trading Fund Programme

The aim of the Trading Fund Programme is to make sure that the FCO receives a reliable and efficient supply of vital services at better value for money than at present. The FCO Board and ministers decided that this will best be achieved by converting FCO Services, our in-house supplier, into a government trading fund. FCO Services is already an executive agency.

As a trading fund, FCO Services will act as a strategic partner for the FCO and remain under the overall control of the Foreign Secretary. However, it will also be subject to greater commercial discipline and enjoy greater commercial freedom than now. The stronger business focus and pressures will drive efficiency and service improvements, with only modest risk.

During the year, FCO and FCO Services have prepared extensively for FCO Services conversion to a trading fund. FCO Services has implemented a major programme to develop its staff, structures, systems and processes to cope with a more commercial trading environment. The FCO has streamlined its structure to become an efficient customer of the new trading fund, and we have introduced business agreements with FCO Services. The National Audit Office and the Office of Government Commerce have confirmed that FCO and FCO Services will be ready for the change. The House of Commons has approved the statutory instrument (SI 2008/590) to set up the trading fund on 1 April 2008.

The FCO held a formal public consultation between July and October 2007 to get the views of interested parties on the overall initiative and, in particular, any

new ideas that might increase its success and reduce risks or issues not previously considered. We received useful responses but nothing to suggest the FCO should reconsider its plans. We published a report on the consultation and an associated impact assessment on the FCO website.<sup>83</sup>

### Information technology

A chief information officer was appointed to the FCO Board in 2007 and the FCO's information and technology work was set out within a new strategic plan.

This plan sets out how the FCO is continuing to work towards meeting the Government's transformational government strategy<sup>84</sup> and deliver information management and technology that helps us meet our strategic objectives. Three strategic themes are identified in the plan:

1. **Sustainable IT:** The FCO will analyse the long-term environmental impact of its IT and then reduce it, including by assessing all new IT purchasing against environmental criteria, reducing energy consumption, and improving our disposal and recycling practices.

To support that objective we introduced a pilot project called 'Green IT' to encourage staff in the UK to turn off their computers overnight. We have used lessons learnt from the pilot to set the power policy for our next generation of desktop computers.

2. **Getting the most out of the business value of IT:** The FCO will change how it is organised and its operating model to:

- reduce our operational cost
- improve the level of service we deliver and
- deliver business benefits earlier.

This includes:

- adopting industry standard processes to improve our service and reduce costs
- proactively managing our suppliers
- shorter delivery cycles to improve efficiency and
- much closer co-operation with our FCO customers.

83 See [www.fco.gov.uk/en/about-the-fco/publications/publications/consultations1/closed](http://www.fco.gov.uk/en/about-the-fco/publications/publications/consultations1/closed)

84 See [www.cio.gov.uk/transformational\\_government/strategy](http://www.cio.gov.uk/transformational_government/strategy)

### 3. Making best use of the FCO's existing

**investment in IT:** We will gain maximum value from the investment in our IT platform by making full use of the standard functions that we do not yet make full use of. This includes:

- supporting the creation of Shared Services on our resource planning system, Prism
- using our global IT system Firecrest to support collaborative and mobile working and improved information management and
- making sure that the next generation of FTN (the FCO's telecommunications network) we buy makes full use of communications technology.

The FCO will also build and extend the services that we share with partners across Government such as FTN, Firecrest and our web platform. This will allow us to make savings.

We began installing our next generation of desktop computers in early 2008, starting with our buildings in the UK. By the end of March 2008 we had installed 500 computers at our King Charles Street and Hanslope Park sites. We will start installing these computers overseas in summer 2008 at three pilot posts – Athens, Tbilisi and The Hague. Staff in the UK and at those posts involved in the pilot are looking at how this new technology will help generate different ways of working through collaborative tools, mobile technology and a faster, reliable network.

At the same time the FCO will continue to invest resources into making our present network faster and more reliable. We are improving performance, including, among other things, reducing the number of our posts that rely on satellite links back to the UK.

In 2007/08 the FCO also:

- helped UKvisas to successfully roll-out biometrics technology
- continued to develop our intranet and web platforms to offer improved services to staff and the public
- launched the latest version of our confidential laptop solution for UK and some overseas users and
- significantly expanded our network of secure videoconferencing facilities.

### Security and estates

Security has a significant impact on almost all areas of major change across the FCO. We are committed to taking an imaginative and flexible approach on security policy to meet these new challenges.

In 2007/08 this was a major factor in the following areas:

- putting into practice the recommendations from an internal review in a 2004 report on security
- improved security arrangements in the FCO reception area
- introduced a new security vetting process in overseas posts for locally recruited staff
- improved security training programmes to better prepare staff and increase security awareness; the FCO also included staff from the Prime Minister's Office, DfID and other government departments on our training courses on hostile environments
- contributed to DfID's 2007 review of security, which resulted in a closer and more joined-up relationship on issues of security management and
- delivered better physical protection in Whitehall with Government Security Zone partners.

On our estate of properties, we have continued our programme of investment. In 2006/07, we invested £21 million and £63.1 million on the home and overseas estate respectively. Estate running costs totalled £251.6 million (see chart overleaf).

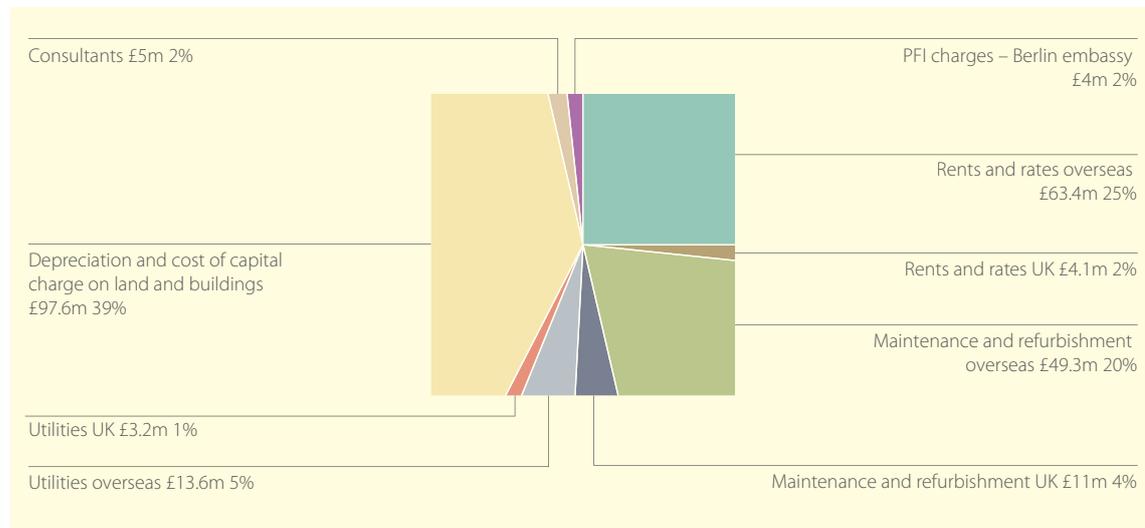
The FCO continues to work towards Treasury asset recycling targets: gross proceeds from sales of under-performing or surplus property in 2006/07 amounted to £57 million and we expect sales of around £14 million in 2007/08.

The FCO has also:

- completed new offices for our posts in Almaty, Amman, Geneva, Istanbul and Taipei; completed new offices and residence in Doha; and finished new staff accommodation in Islamabad and Karachi and
- started fitting out new offices for the Deputy High Commission in Mumbai and begun to build a new embassy in Warsaw.

The current location of our posts worldwide is shown on the map on page 17.

### Estate Running Costs 2006/07 (£m)



### Sustainable operations in the FCO

The FCO is determined that all aspects of its operations at home and overseas are managed in a sustainable way. In other words, we believe that environmental considerations must be at the heart of the way we are run. Not only is this necessary if we are to meet wider government targets and legal obligations on the sustainability of the government estate, but it will give credibility to our efforts in support of action to tackle climate change.

Work on sustainable operations in the FCO is steered by a senior Sustainability Board and we take part in the cross-Government Sustainable Procurement and Operations Board.

The FCO is working with the Office of Government Commerce, which was given the task by the Cabinet Secretary, Sir Gus O'Donnell, to raise government performance against the Sustainable Operations in the Government Estate targets. These targets set out the course for achieving carbon neutrality (net carbon emissions of zero) by 2012. We need to improve our performance against many of these targets, but our excellent performance against recycling targets was noted by the Sustainable Development Committee<sup>85</sup> in its recent report on Sustainable Development in Government 2007.

The FCO introduced an environmental management system under ISO14001 to our offices in London during 2002 and 2003. In 2007 we extended this system to our site at Hanslope Park near Milton Keynes and to 20 volunteer posts overseas. The overseas roll-out has highlighted the need for us to improve our data collection on sustainable operations and to provide clear and accessible information on what we expect from individual officers. We will be further extending the system overseas over the next five years. In March 2008 the FCO stopped providing bottled water at meetings.

The Carbon Trust<sup>86</sup> undertook a carbon audit of the FCO's UK estate in December 2006 and we are continuing to put their recommendations into practice. The most significant recommendation is the proposal to erect a wind turbine at Hanslope Park, although this would depend on feasibility studies and planning permission. All our new building projects, both in the UK and overseas, are designed to achieve a BRE Environmental Assessment Method (BREEAM)<sup>87</sup> 'excellent' rating, and the Carbon Trust congratulated us on the sustainability of our new embassy in Doha during their recent visit.

85 See [www.sd-commission.org.uk](http://www.sd-commission.org.uk)

86 See [www.carbontrust.co.uk](http://www.carbontrust.co.uk)

87 See [www.breem.org](http://www.breem.org)



# 03



# **Part 3: Financing our work and PSA performance assessment**

- Efficiency
- Core tables
- Assessing our performance against PSA targets



# Efficiency

## **2004 Spending Review (SR04) Efficiency programme**

In the 2004 Spending Review the FCO agreed a target of 2.5% year on year efficiency savings from its core expenditure. This equates to £120 million by the end of financial year 2007/08; of which £33 million are to be delivered by the British Council and the BBC World Service.

The FCO is on target to achieve its SR04 efficiency targets. Efficiency gains in 2005/06 were £53.9 million against a planned outturn of £50.9 million. The Efficiency gains in 2006/07 were £87.8 million against a planned outturn of £88.0 million. By the

end of January 2008 efficiency gains had risen to £124.4 million with a 2007/08 forecast of £131.4 million<sup>88</sup> against the £120 million target. These figures are not yet all finalised but indicate continued strong delivery of the department's efficiency ambitions, with a headline efficiency figure already in excess of the department's own target.

UKTI reported their efficiency savings separately from the rest of the FCO. Within UKTI's efficiency plan<sup>89</sup> there was a commitment to release £20 million of resources from the FCO's overseas network for re-deployment elsewhere.

<sup>88</sup> These figures include the approximately £3.1m due to 'double-counting' with UKTI's efficiency figures. This figure is likely to be excluded in the final figures.

<sup>89</sup> Details available at: <https://www.uktradeinvest.gov.uk/ukti/ShowDoc/BEA+Repository/345/380369>

**Table 1 Efficiency forecasts organised by Treasury project categories 2005/06 to 2007/08**

Projects (£m)	2005/06 Actual Outturn	2006/07 Actual Outturn	2007/2008 Delivery (End of January 2008)	2007/2008 forecasts
Estate projects	4.1	6.5	8.5	8.5
ICT efficiencies	0.9	2.7	1.3	1.3
Reductions in low priority activity	4.5	4.6	4.7	4.7
Pay Bill reduction	5.7	19.0	27.7	32.1
Procurement efficiencies	7.6	8.5	26.6	26.6
Corporate Services	9.0	11.1	10.6	10.6
Local Efficiencies	0.0	2.9	4.0	4.0
Other	10.0	10.3	10.5	10.5
British council Efficiency Programme	5.1	8.6	12.0	13.0
BBC World Service efficiency programme	7.1	13.6	18.5	20.1
<b>Total</b>	<b>53.9</b>	<b>87.8</b>	<b>124.4</b>	<b>131.4</b>
<b>Of which Cashable</b>	<b>26.5</b>	<b>50.1</b>	<b>81.3</b>	<b>85.3</b>
<b>Non Cashable</b>	<b>27.3</b>	<b>37.7</b>	<b>43.1</b>	<b>46.1</b>

### The Programme

The FCO's SR04 Efficiency Programme was divided into 27 separate projects, each with its own Project Manager and Senior Responsible Owner. 21 of these projects were in the original plan, while six were added later to provide contingency. The overall Senior Responsible Owner for the Efficiency Programme is the Director General Finance, Keith Luck.

These efficiencies are a mix of cashable or non-cashable gains. Cashable efficiencies are those achieved from reduced expenditure on inputs, for example, workforce costs, to achieve a constant or rising quantity and quality of outputs. Non-cashable efficiency gains are those generated through productivity improvements that is, gains in quantity and quality for a fixed level of inputs such as increasing frontline professionals' time spent delivering services. The majority of the FCO efficiencies are cash releasing; allowing resources to be recycled to the department's priority programmes.

### Contingency projects

Three contingency projects have made significant contributions to the Efficiency Programme. These are:

- the Alternative Representation project with savings of just under £3.5million
- the Directorate of Strategy and Information (DSI) restructuring project with savings of £1.2million and
- the Local Efficiencies project with savings of £4million.

The efficiencies from ICT projects were reduced due to the delays in the roll out of the Future Firecrest programme. Savings from the Future Firecrest programme will now be achieved outside the timeframe of the SR04 programme. The shortfall has been more than compensated by the increased delivery from other projects and the additional contribution achieved from the contingency projects.

### Procurement efficiencies

Procurement is the largest single contributor to the FCO's Efficiency Programme. The original target for efficiency savings to be generated through improved procurement amounted to £7.8 million by the end of the financial year 2007/08. Overall cashable savings to date in procurement now amount to £26.6m, representing over 30% of the actual cashable savings realised.

This target was significantly exceeded as a result in particular of re-tendering of key security guarding contracts in Iraq and Afghanistan. This resulted in savings that at the outset of the Efficiency Programme could not have been forecast.

The FCO Telecommunications Network (FTN) project also managed to exceed forecast savings through contract re-negotiation. In addition procurement has sought to leverage efficiency through greater use of OGC pan-government contracts.

### Workforce reductions

The FCO's SR04 Efficiency Programme also aims to reduce our workforce and relocate staff outside the costly south-east, in line with the recommendations of the Lyons Review. The FCO's UK based workforce (excluding visa and consular staff) has already been reduced by 480 (figure correct as at 1 March 2008) against an overall target of 310. These reductions exclude changes in staff numbers in Consular and Entry Clearance services, which are funded by the fees paid by users.

### Relocations

226 positions have been relocated as part of the Lyons relocation project. A significant contribution to achieving our Lyons target will be delivered by the British Council through moving its corporate service posts out of London. The Lyons relocation project remains on track to deliver 450 relocations by April 2010.

### Balancing quality measures

The FCO uses various quality measures including key performance indicators, service level agreements, and feedback from user groups and compliance with public sector best practice guidelines to ensure the efficiency savings do not impact on the service that we provide.

As many of the FCO's efficiency projects are generated by savings from back office functions, it is necessary to ensure that the level of support that these functions give to frontline activities is preserved. This is achieved by reference to the department's published Public Service Agreement (PSA) targets. There are also specific indicators used by individual projects to demonstrate maintenance of quality.

The British Council uses a performance scorecard to measure the impact of its efficiency project. They collect aggregated data from overseas surveys of customers, which is then checked by their Corporate Planning Department. Reading University audits their scorecard data. The BBC World Service use performance measures – awareness, reach, objectivity and relevance – to ensure that there is no overall adverse impact on their other performance measures and they conduct regular performance reviews. The National Audit Office (NAO) has reviewed the BBC World Service's efficiency programme.

Elements of the FCO's SR04 Efficiency programme have also been the subject of internal audits, peer reviews and NAO reviews which together give greater assurance that efficiencies have been delivered and quality maintained.

#### **CSR07 Value for Money (VfM) Programme**

Planning for the CSR07 VfM Programme is progressing well. The VfM Delivery Agreement has been published on the FCO Website<sup>90</sup>, giving details on how we will achieve the £144m target. At the programme level work is currently focussing on ensuring that the individual projects are established with a sound governance structure.

The FCO will report on the progress of the CSR07 VfM Programme in our Autumn Performance Report (APR).

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90 See <http://www.fco.gov.uk/Files/kfile/CSR07%20VfM%20Delivery%20Agreement.pdf>



## Core tables

### **Summary budget plans**

Tables 2 and 3 show the total resources available to the FCO in 2008/09 compared to the forecast outturn for 2007/08. Table 2 shows the figures in nominal terms (the actual resources that will be available in that year). Table 3 shows the figures in constant terms at 2007/08 prices (so the 2008/09 figures have been recalculated to demonstrate how much they would be worth in 2007/08 and expressed as a percentage of 2007/08 outturn).

**Table 2 FCO Total budget in nominal terms (resource DEL & capital DEL) (£m)**

	2007-08 Forecast	2008-09 Plans
<b>RfR 1 Promoting internationally the interests of the UK and contributing to a strong world community.</b>		
Administration <sup>1,2,3</sup>	438	431
Programme <sup>1,2,3</sup>	702	791
FCO capital <sup>3</sup>	207	167
British Council	196	196
BBC World Service	250	265
<b>Total RfR 1</b>	<b>1,792</b>	<b>1,850</b>
<b>RfR 2 Conflict prevention<sup>4</sup></b>	<b>416</b>	<b>236</b>

**Table 3 FCO total budgets in constant prices expressed as percentage of 2007/08 forecast outturn (£m)**

	2007-08 Forecast	2008-09 Plans
<b>RfR 1 Promoting internationally the interests of the UK and contributing to a strong world community.</b>		
Administration <sup>1,2,3</sup>	100	96 <sup>1</sup>
Programme <sup>1,2,3</sup>	100	110
FCO capital <sup>3</sup>	100	78
British Council	100	97
BBC World Service	100	103
<b>Total RfR 1</b>	<b>100</b>	<b>101</b>
<b>RfR 2 Conflict prevention<sup>4</sup></b>	<b>100</b>	<b>55</b>

1 Around £400 million of costs associated with frontline staff were reclassified in CSR07 from administration budgets into programme expenditure. The above figures reflect this reclassification across all years.

2 Resource DEL figures reflect the reclassification of impairments into departmental AME across all years.

3 Figures across all years reflect the machinery of government transfer of the Defence Exports Services Organisation to FCO from MoD.

4 2008/09 plan figures underestimate total FCO resources because they do not include all of the conflict prevention expenditure which is transferred annually. Transfers will be made between Conflict Prevention Pool and Stabilisation Fund partners (FCO, MOD and DFID) at the time of the 2008/09 Supplementary Estimates.

Tables 4 to 9 are the 'common core' tables that are included in all departmental reports. Due to rounding, the individual table lines may not always add up to exactly the totals shown.

**Table 4 Total public spending for the Foreign & Commonwealth Office (£m)**

	2002/03 Outturn	2003/04 Outturn	2004/05 Outturn	2005/06 Outturn	2006/07 Outturn	2007/08 Forecast Outturn	2008/09 Plans	2009/10 Plans	2010/11 Plans
<b>Consumption of resources</b>									
<b>Resource budget</b>									
<b>Resource DEL<sup>1,2,3</sup></b>									
Promoting the interests of the UK internationally and contributing to a strong world community.	1,293	1,317	1,419	1,580	1,482	1,523	1,594	1,610	1,618
Conflict prevention	185	194	291	296	346	416	236	-	-
<b>Total resource budget DEL</b>	<b>1,478</b>	<b>1,511</b>	<b>1,710</b>	<b>1,877</b>	<b>1,827</b>	<b>1,939</b>	<b>1,830</b>	<b>1,610</b>	<b>1,618</b>
<i>of which:</i>									
Near cash <sup>1,2,3</sup>	1,333	1,404	1,601	1,706	1,680	1,809	1,673	1,453	1,461
<b>Resource AME<sup>1,2,3</sup></b>									
Promoting the interests of the UK internationally and contributing to a strong world community.	60	40	3	-22	27	23	50	50	50
<b>Total resource budget AME</b>	<b>60</b>	<b>40</b>	<b>3</b>	<b>-22</b>	<b>27</b>	<b>23</b>	<b>50</b>	<b>50</b>	<b>50</b>
<i>of which:</i>									
Near cash <sup>1,2,3</sup>	-	-	-	-	-	-	-	-	-
<b>Total resource budget</b>	<b>1,538</b>	<b>1,551</b>	<b>1,713</b>	<b>1,854</b>	<b>1,854</b>	<b>1,962</b>	<b>1,880</b>	<b>1,660</b>	<b>1,668</b>
<i>of which:</i>									
Depreciation	127	104	70	86	109	98	155	153	150
<b>Capital budget:</b>									
<b>Capital DEL<sup>1,2,3,4</sup></b>									
Promoting the interests of the UK internationally and contributing to a strong world community.	102	87	117	132	160	246	206	216	205
<b>Total capital budget</b>	<b>102</b>	<b>87</b>	<b>117</b>	<b>132</b>	<b>160</b>	<b>246</b>	<b>206</b>	<b>216</b>	<b>205</b>
<b>Total public spending<sup>5</sup></b>	<b>1,513</b>	<b>1,534</b>	<b>1,760</b>	<b>1,900</b>	<b>1,906</b>	<b>2,110</b>	<b>1,931</b>	<b>1,723</b>	<b>1,723</b>

1 Around £400 million of costs associated with frontline staff were reclassified in CSR07 from administration budgets into programme expenditure. The above figures reflect this reclassification across all years.

2 Departmental expenditure limits established by spending reviews. Resource DEL figures reflect the reclassification of impairments into departmental AME across all years.

3 Figures across all years reflect the machinery of government transfer of the Defence Exports Services Organisation to FCO from MoD.

4 Capital spending 2007/08 peaks owing to take-up and spend of capital EYF, as part of our ongoing programme to increase the security and safety of our estate and the people using it.

5 Total public spending is calculated as the total of the resource budget and the capital budget, less depreciation.

Explanations of trends are given in notes to tables 5 and 6. A more detailed account of the FCO's expenditure can be found in the Resource Accounts (most recently HC856 for 2006-07 published 31 March 2007).

**Table 5 Resource budget for the Foreign & Commonwealth Office (£m)**

	2002/03 Outturn	2003/04 Outturn	2004/05 Outturn	2005/06 Outturn	2006/07 Outturn	2007/08 Estimated Outturn	2008/09 Plans	2009/10 Plans	2010/11 Plans
<b>Resource DEL</b>									
<b>Promoting the interests of the UK internationally and contributing to a strong world community</b>	<b>1,293</b>	<b>1,317</b>	<b>1,419</b>	<b>1,580</b>	<b>1,482</b>	<b>1,523</b>	<b>1,594</b>	<b>1,610</b>	<b>1,618</b>
<i>of which:</i>									
Delivering foreign policy <sup>1,4</sup>	706	709	748	817	782	815	885	883	878
FCO programmes	142	151	199	251	162	167	147	151	166
International subscriptions <sup>2</sup>	98	112	113	123	146	134	123	125	128
BBC World Service	201	189	194	208	209	219	234	241	240
British Council	146	157	164	181	183	188	188	193	189
Peacekeeping									
Unallocated provision							17	17	17
<b>Conflict prevention</b>	<b>185</b>	<b>194</b>	<b>291</b>	<b>296</b>	<b>346</b>	<b>416</b>	<b>236</b>		
<i>of which:</i>									
Conflict prevention <sup>3</sup>	185	194	291	296	346	416	252		
<b>Total resource budget (DEL)<sup>1,2,3,4</sup></b>	<b>1,478</b>	<b>1,511</b>	<b>1,710</b>	<b>1,877</b>	<b>1,827</b>	<b>1,939</b>	<b>1,830</b>	<b>1,610</b>	<b>1,618</b>
<i>of which:</i>									
Near cash	1,333	1,404	1,601	1,706	1,680	1,809	1,673	1,453	1,461
<i>of which:</i>									
Pay	371	403	444	465	464	472			
Procurement	507	513	535	561	464	525	527	529	523
Grants and subsidies	310	331	457	498	570	625	445	214	229
Depreciation	67	64	67	109	82	75	105	103	100
<b>Resource AME</b>									
<b>Promoting the interests of the UK internationally and contributing to a strong world community</b>	<b>60</b>	<b>40</b>	<b>3</b>	<b>-22</b>	<b>27</b>	<b>23</b>	<b>50</b>	<b>50</b>	<b>50</b>
<i>of which:</i>									
Delivering foreign policy	60	40	3	-22	27	23	50	50	50
<b>Total resource budget (AME)<sup>4</sup></b>	<b>60</b>	<b>40</b>	<b>3</b>	<b>-22</b>	<b>27</b>	<b>23</b>	<b>50</b>	<b>50</b>	<b>50</b>
<i>of which:</i>									
Depreciation	60	40	3	-22	27	23	50	50	50
<b>Total resource budget</b>	<b>1,538</b>	<b>1,551</b>	<b>1,713</b>	<b>1,854</b>	<b>1,854</b>	<b>1,962</b>	<b>1,880</b>	<b>1,660</b>	<b>1,668</b>

1 Figures across all years reflect the machinery of government transfer of the Defence Exports Services Organisation to FCO from MoD.

2 The figures for 2008/09 show the amount of international subscriptions which is expected to be met from the FCO's current budget. This is expected to be topped up at the Spring Supplementary under the cost sharing agreement reached between HMT and the FCO to share increases over and above the baseline of £102m for international subscriptions.

3 Outturn figures show total FCO expenditure on conflict prevention 2008/09 plans are underestimated because HMT will make further resources available for peacekeeping in the Winter and/or Spring Supplementaries. 2008/09 figures show only the Global and Stability Programme funds for which the FCO is responsible. There will be further resources made available from HMT and transfers between pool partners at the time of the 2008/09 Supplementary Estimates.

4 Resource DEL figures reflect the reclassification of impairments into departmental AME across all years.

**Table 6 Capital budget for the Foreign & Commonwealth Office (£m)**

	2002/03 Outturn	2003/04 Outturn	2004/05 Outturn	2005/06 Outturn	2006/07 Outturn	2007/08 Forecast Outturn	2008/09 Plans	2009/10 Plans	2010/11 Plans
<b>Promoting the interests of the UK internationally and contributing to a strong world economy</b>	<b>102</b>	<b>87</b>	<b>117</b>	<b>132</b>	<b>160</b>	<b>246</b>	<b>206</b>	<b>216</b>	<b>205</b>
<i>of which:</i>									
Delivering foreign policy <sup>1,2</sup>	96	50	78	93	106	192	159	169	158
International subscriptions <sup>3</sup>	-	-	-	-	18	15	8	8	8
BBC World Service	-	31	31	31	31	31	31	31	31
British Council	6	6	8	8	5	8	8	8	8
Unallocated provision	-	-	-	-	-	-	-	-	-
<b>Total capital budget (DEL)</b>	<b>102</b>	<b>87</b>	<b>117</b>	<b>132</b>	<b>160</b>	<b>246</b>	<b>206</b>	<b>216</b>	<b>205</b>
<i>of which:</i>									
Capital expenditure on fixed assets net of sales <sup>4</sup>	96	50	78	93	104	190	159	169	158
Capital grants to the private sector and abroad	-	-	-	-	18	17	8	8	8
Net lending to private sector	-	-	-	-	-	-	-	-	-
Capital support to public corporations	6	37	39	39	36	39	39	39	39
Capital support to local authorities	-	-	-	-	-	-	-	-	-
<b>Total capital budget AME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital budget</b>	<b>102</b>	<b>87</b>	<b>117</b>	<b>132</b>	<b>160</b>	<b>246</b>	<b>206</b>	<b>216</b>	<b>205</b>
<i>of which:</i>									
Capital expenditure on fixed assets net of sales <sup>4,5</sup>	96	50	78	93	104	190	159	169	158
Less depreciation <sup>6</sup>	127	104	70	86	109	98	155	153	150
Net capital expenditure on tangible fixed assets	-30	-54	8	7	-4	92	4	16	8

- 1 The rise in net capital expenditure in 2002/03 is due mainly to a shortfall in capital receipts that year and the capitalisation of the Berlin Embassy PFI contract which was previously treated as off balance sheet. Capital expenditure rises again from 2004/05 due to extra resources to upgrade security at embassies and posts around the world, following a comprehensive review of security around the network.
- 2 Figures across all years reflect the machinery of government transfer of the Defence Exports Services Organisation to FCO from MoD.
- 3 The figures for 2008/09 show the amount of international subscriptions which is expected to be met from the FCO's current budget. This is expected to be topped up at the Spring Supplementary under the cost sharing agreement reached between HMT and the FCO to share increases over and above the baseline.
- 4 Capital spending 2007/08 peaks owing to take-up and spend of capital EYF, as part of our ongoing programme to increase the security and safety of our estate and the people using it.
- 5 Expenditure by the department and NDPDs on land, buildings and equipments, net of sales. Excludes spending on financial assets and grants, and public corporations' capital expenditure.
- 6 Included in Resource Budget.

**Table 7 Foreign & Commonwealth Office capital employed (£m)**

	2002/03 Outturn	2003/04 Outturn	2004/05 Outturn	2005/06 Outturn	2006/07 Outturn	2007/08 Forecast	2008/09 Projected	2009/10 Projected	2010/11 Projected
<b>Assets on balance sheet at end of year</b>									
<b>Fixed assets</b>									
Intangible	2	1	1	1	2	2	2	2	2
Tangible	1,246	1,227	1,254	1,479	1,529	1,616	1,685	1,722	1,752
<i>of which:</i>									
Non-residential land and buildings	568	478	492	592	623	645	685	700	700
Residential land and buildings	471	540	554	696	643	650	680	690	700
Information technology	46	54	40	40	40	30	60	70	70
Plant and machinery	12	14	14	16	26	21	20	22	22
Vehicles	13	25	21	18	21	20	20	20	20
Antiques and works of art	20	19	19	20	20	20	20	20	20
Furniture and fittings <sup>1</sup>	71	55	43	0	0	0	0	0	0
Assets in the course of construction	45	43	71	97	156	230	200	200	220
<b>Current assets</b>									
Stocks	10	8	9	8	12	12	12	12	12
Debtors	144	140	226	232	220	220	220	220	220
Cash at bank and in hand	72	39	76	117	99	80	99	99	99
Creditors <1 year	-126	-97	-250	-299	-299	-250	-299	-299	-299
Creditors >1 year	-33	-32	-32	-33	-33	-33	-33	-33	-33
Provisions <sup>2</sup>	-30	-47	-66	-71	-69	-67	-69	-69	-69
<b>Total capital employed</b>	<b>1,285</b>	<b>1,240</b>	<b>1,217</b>	<b>1,434</b>	<b>1,461</b>	<b>1,580</b>	<b>1,617</b>	<b>1,654</b>	<b>1,684</b>

1 With effect from 1 April 2005 furniture and fittings have been reclassified as administration expenditure.

2 Provisions are liabilities of uncertain timing or amount.

**Table 8 Administrative budget for the FCO (£m)<sup>1</sup>**

	2002/03 Outturn	2003/04 Outturn	2004/05 Outturn	2005/06 Outturn	2006/07 Outturn	2007/08 Estimated Outturn	2008/09 Plans	2009/10 Plans	2010/11 Plans
<b>Administration expenditure<sup>2</sup></b>									
Paybill <sup>3</sup>	226	248	252	289	301	292			
Other	183	192	227	208	157	226			
<b>Total administration expenditure<sup>1</sup></b>	<b>409</b>	<b>440</b>	<b>479</b>	<b>497</b>	<b>458</b>	<b>518</b>	<b>511</b>	<b>501</b>	<b>492</b>
Administrative income	-56	-64	-74	-97	-65	-80	-80	-80	-80
<b>Total administration budget</b>	<b>353</b>	<b>376</b>	<b>405</b>	<b>400</b>	<b>393</b>	<b>438</b>	<b>431</b>	<b>421</b>	<b>412</b>
					SP1	75			
<b>Analysis by activity<sup>4</sup></b>					SP2	33			
Obj 1	117	144	188	SP1	96	SP3	133		
Obj 2	133	106	138	SP2	40	SP4	95		
Obj 3	158	146	142	SP3	143	SP5	224		
Obj 4	83	70	89	SP4	149	SP6	21		
Obj 5	143	189	174	SP5	236	SP7	131		
Obj 6	-	-	-	SP6	102	SP8	6		
Obj 7	17	14	14	SP7	15	SP9	43		
Impairments treated as exceptional items	53	38	-	SP8	34	SP10	18		
<b>Total administration budget</b>	<b>703</b>	<b>706</b>	<b>746</b>	<b>815</b>	<b>779</b>				

**KEY:**

Objective 1: A secure United Kingdom within a safer and more peaceful world.

Objective 2: Enhanced competitiveness of companies in the UK through overseas sales and investments; and a continuing high level of quality foreign direct investment. (Through UK Trade & Investment, formerly BTI, shared with DTI)

Objective 3: Increased prosperity and a better quality of life in the UK and worldwide, through effective economic and political governance globally.

Objective 4: A strong role for the UK in a strong Europe, responsive to people's needs.

Objective 5: International decisions and actions which advance UK objectives and interests. Authoritative advice and support to the whole of Government on international issues. Positive foreign perceptions of the UK and the Government's policies.

Objective 6: High quality consular services to British nationals abroad. Effective regulation of entry to, and settlement in, the UK in the interests of sustainable growth and social inclusion. (through UKvisas, shared with the Home Office).<sup>3</sup>

Objective 7: Secure and well-governed United Kingdom overseas enjoying sustainable development and growing prosperity.

SP1: Making the world safer from global terrorism and weapons of mass destruction

SP2: Protection of the UK from illegal immigration, drug trafficking and other international crime.

SP3: An international system based on the rule of law, which is better able to resolve disputes and prevent conflicts.

SP4: An effective EU in a secure neighbourhood.

SP5: Promotion of UK economic interests in an open and expanding global economy.

SP6: Sustainable development, underpinned by democracy, good governance and human rights.

SP7: Security of UK and global energy supplies.

SP8: Security and good governance of the UK's Overseas Territories.

SP1: Making the world safer from global terrorism and weapons of mass destruction.

SP2: Reducing the harm to the UK from international crime, including drug trafficking, people smuggling and money laundering.

SP3: Preventing and resolving conflict through a strong international neighbourhood.

SP4: Building an effective and globally competitive EU in a secure neighbourhood.

SP5: Supporting the UK economy and business through an open and expanding global economy, science and innovation and secure energy supplies.

SP6: Achieving climate security by promoting a faster transition to a sustainable, low carbon global economy.

SP7: Promoting sustainable development and poverty reduction underpinned by human rights, democracy, good governance and protection of the environment.

SP8: Managing migration and combating illegal immigration.

SP9: Delivering high quality support for British nationals abroad, in normal times and in crises.

SP10: Ensuring the security and good governance of the UK's overseas territories.

<sup>1</sup> Around £400 million of costs associated with frontline staff were reclassified in CSR07 from administration budgets into programme

<sup>2</sup> Resource DEL figures reflect the reclassification of impairments into departmental AME across all years.

<sup>3</sup> Paybill figures include the salaries and related costs of locally employed staff overseas.

<sup>4</sup> Analysis by activity is currently available only on the definition of administration budgets used before CSR07 reclassified around £400 million of frontline staff into programme expenditure and before the DESO machinery of government transfer.

Note: Activities have been costed by objective in the Resource Accounts up to 2004/05. From 2005/06 onwards (the first year of the period covered by the 2004 Spending Review) activities will be costed by Strategic Priority (SP).

**Table 9 Staff numbers**

	Staff years 2002/03 Actual	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Estimated Outturn	2008/09 Plans	2009/10 Plans	2010/11 Plans
<b>FCO</b>									
CS FTEs <sup>1</sup>	5,857	5,917	6,117	6,044	6,072	6,061	4,360	4,278	4,196
Overtime <sup>2</sup>	249	202	150	170	103	83	73	63	58
Casuals <sup>3</sup>	0	0	8	19	22	25	20	20	20
<b>Total</b>	<b>6,106</b>	<b>6,119</b>	<b>6,275</b>	<b>6,233</b>	<b>6,197</b>	<b>6,169</b>	<b>4,453</b>	<b>4,361</b>	<b>4,274</b>

1 Actuals reflect staff in post at the end of each financial year.

2 Overtime figure is based on average equivalent number of staff working overtime over year.

3 Casual staff defined as staff employed full-time or part-time for a short period only, normally not exceeding 12 months.

In accordance with Treasury guidance these figures show UK-based staff only.

At 1 March 2008 there were a further 10,000 (approximately) locally engaged staff overseas.

Note: The numbers for 2005/06 onwards have changed since the 2005 Departmental Report because the 2005 numbers included the planned efficiency reductions of 310 but did not reflect the expected increase of 500 (to 1,176 in 2008) in self-funded entry clearance and consular staff.

In 2008/09 FCO Services will have achieved trading fund status and the UKvisas section will have been transferred to the UK Borders Agency (UKBA). As a result, the positions in FCO Services and UKvisas have been removed from the FY 2008/09 figures and all subsequent years. For reference, this is a total of 1,621 FTE staff and would have achieved the equivalent CS FTE's figure for 2008/09 of 5,981.

#### Reconciliation to the Efficiency Target:

These figures are correct at 1 March 2008.

It was assumed that efficiency savings would slightly exceed the expected growth in the self-funded public services – Consular and UKvisas. In the event, Consular and UK visa numbers have increased by 374 from the 2004/05 baseline, while the FCO as a whole has reduced by 106. This matches our claimed workforce reduction of 480. The majority of these savings have been made in FCO Services, which moves to trading fund status on 16 April 2008.

**Table 10 Diversity statistics of UK staff**

For the FCO to maintain and improve its standards of excellence, we need wider skill sets, an ability to draw from and include as broad a talent pool as possible and to be seen to be in touch with modern Britain. While we have made progress, we still recognise that there is much more still to be done. We follow a ten-point plan, which was drawn up in line with Cabinet Office guidance. Each Directorate in the FCO has also drawn up an action plan to help create and sustain a culture that values diverse talents and skills. Our diversity targets are for UK-based staff. In addition the FCO has an international workforce of local staff from every culture and background. In many cases local staff are doing work which a few years ago would have been done by UK-based diplomats. These staff give us a very diverse workforce with a wide range of language and other skills.

Grade	Male	Female	%	British minority ethnic	%	Declared disabled staff	%	Total
SMS	317	76	19.3	14	3.6	9	2.3	393
D band	717	344	32.4	31	2.9	35	3.3	1,061
C band	1,207	593	32.9	90	5	60	3.3	1,800
B band	760	765	50.2	160	10.5	58	3.8	1,525
A band	507	649	56.1	223	19.3	83	7.2	1,156
<b>Total</b>	<b>3,508</b>	<b>2,427</b>	<b>40.9</b>	<b>518</b>	<b>8.7</b>	<b>245</b>	<b>4.1</b>	<b>5,935</b>

Note: Figures as at 1 March 2008.

**Table 11 Resource allocation**

Resource budget within departmental expenditure limits (DEL)	2008/09 Provision (£000)
<b>RFR 1: Promoting internationally the interests of the UK and contributing to a strong world community</b>	
<b>Section A: (Administration, programmes and international organisations subscriptions)</b>	
<b>ADMINISTRATION</b>	
(i) Centrally controlled administration budgets (HR, IT, Finance, Security...)	553,403
(ii) Locally engaged staff salaries and terminal benefits for approximately 5,350 locally engaged staff	79,453
(iii) Home and overseas accommodation costs. Accommodation charges, rates payable to the Valuation Office Agency of Inland Revenue, and maintenance of Foreign & Commonwealth Office Buildings in the UK. Rents and other charges including repair of furniture and equipment office and residential accommodation overseas	38,023
(iv) Budgets devolved to directorates in the UK. Includes delegated local budgets of all overseas posts including utilities, building maintenance and furnishings, official entertainment etc.	196,953
(v) Information services. Publicity services at home and overseas; the cost of other information services	5,942
(vi) Government hospitality budget	1,800
(vii) Lancaster House general expenditure	1,920
(viii) Wilton Park Executive Agency	4,200
(ix) Depreciation	17,000
(x) Outward secondments	1,400
(xi) Capital charges	8,476
(xii) Of which full cost of consular and visa services, now classified as programme	-415,000
<b>Total gross administration costs</b>	<b>493,569</b>
<b>PROGRAMME</b>	
<b>Frontline programme reclassified from administration budgets</b>	
(i) Centrally controlled administration budgets (HR, IT, Finance, Security...)	129,643
(ii) Locally engaged staff salaries and terminal benefits for about approximately 5,350 locally engaged staff	66,246
(iii) Home and overseas accommodation costs. Accommodation charges, rates payable to the Valuation Office Agency of Inland Revenue, and maintenance of Foreign & Commonwealth Office Buildings in the UK. Rents and other charges including repair of furniture and equipment office and residential accommodation overseas	44,962
(iv) Budgets devolved to directorates in the UK. Includes delegated local budgets of all overseas posts including utilities, building maintenance and furnishings, official entertainment etc.	75,459
(v) Information services. Publicity services at home and overseas; the cost of other information services	3,412
(vi) Depreciation	88,000
(vii) Capital charges	43,524
<b>Total frontline reclassification</b>	<b>451,245</b>

**Table 11** Continued

<b>Grants and subscriptions etc. to international organisations</b>		
<b>(1) United Nations regular budget</b>		<b>64,625</b>
The UK's share is currently 6.127% of the General Assembly budget.		
<b>(2) Commonwealth Secretariat</b>		<b>4,338</b>
The UK's share is currently 30% of the Secretariat's expenses.		
<b>(3) Council of Europe</b>		<b>22,821</b>
The UK's share is:		
(i)	12.151% of general expenses	
(ii)	13.688% of pension contributions for the secretarial staff	
(iii)	10.512% of the extraordinary budget	
(iv)	12.151% of European Youth Foundation	
(v)	13.155% of Venice Commission	
<b>(4) Western European Union</b>		<b>1,945</b>
The UK's share is currently 17.43% of general expenses		
<b>(5) Organisation for Economic Cooperation and Development (OECD)</b>		<b>12,700</b>
The UK's share is currently 7.317% of general expenses		
<b>(6) Organization for Security and Co-operation in Europe (OSCE)</b>		<b>3,988</b>
(i)	9.35% of Secretariat and institutions	
<b>(7) North Atlantic Treaty Organisation (NATO)</b>		<b>19,776</b>
Most of the UK's share of 14.220% of certain general expenses of the International Staff Secretariat (Civil) budget. The balance is paid by the Ministry of Defence.		
<b>Total international subscriptions</b>		<b>130,193</b>
<b>Scholarships</b>		
<b>Scholarships awards and other assistance to UK overseas students.</b>		
(i)	Payments to the Commonwealth Scholarship and Fellowship Plan; provision is made for scholars from Australia, Canada, New Zealand, Brunei Darussalam, Cyprus, Malta, Singapore and the Bahamas and for corresponding administrative expenses	2,050
(ii)	Payments for the Chevening Scholarships and Fellowships Programme for overseas scholars and fellows	23,660
<b>Marshall Aid Commemoration Commission grant-in-aid</b>		<b>2,200</b>
Grant for the provision of up to 40 university scholarships for two to three years tenable in the UK by graduates from the USA.		
<b>Total scholarships</b>		<b>27,910</b>
<b>Global Opportunities Fund</b>		
(i)	Counter terrorism and counter proliferation	35,300
(ii)	Low carbon and high growth economy	13,700
(iii)	Strong international system	9,350
(iv)	Conflict prevention and resolution	9,300
(v)	Science and innovation	1,000
(vi)	Drugs and crime	3,000

**Table 11** Continued

(vii) Sustainable development	440
(viii) Overseas Territories	6,500
<b>Total Global Opportunites Fund</b>	<b>78,590</b>
<b>Consular and visa operations</b>	
Full cost of consular and visa operations	415,000
<b>Other FCO programmes and grants</b>	
Bilateral programme budgets devolved to Directorates	19,300
Westminster Foundation for Democracy grant-in-aid	4,100
<b>Miscellaneous payments in respect of individuals</b>	
(i) Advances, against undertakings to repay for the repatriation and relief pending repatriation of distressed British nationals and their dependants, also emergency evacuations.	40
(ii) Payment of relief to distressed British nationals and their dependants overseas who are not repatriated, also associated medical and funeral costs.	16
(iii) Ex gratia allowances to dependants of persons killed in Cyprus during the 1955-1960 emergency.	28
<b>General services</b>	
(i) Payment to the British Airports Authority for special facilities for entitled passengers.	50
(ii) Foreign Compensation Commission. Salaries etc. of UK-based staff.	52
<b>Total other FCO programmes &amp; grants</b>	<b>23,586</b>
<b>Total Section A</b>	<b>1,620,093</b>
<b>Section B: BBC World Service Broadcasting</b>	<b>234,000</b>
<b>Section C: British Council</b>	<b>188,000</b>
<b>Section D: BBC World Service Capital Grant</b>	<b>31,000</b>
<b>Section E: British Council Capital Grant</b>	<b>8,000</b>
<b>Gross resource budget within departmental expenditure limits (DEL)</b>	<b>2,081,093</b>
<b>Resource appropriations in aid</b>	
<b>Administration</b>	
(i) Refunds of salaries of seconded diplomatic staff	1,400
(ii) Receipts for the sale of information material overseas	49
(iii) Receipts at home and local budgets overseas from legalisation fees, telephone and postage recoveries, medical scheme recoveries, subletting, sales of surplus materials, bank interest and other sundry receipts	1,420
(iv) Receipts from government departments	72,531
(v) Lancaster House receipts from other customers	400
(vi) Wilton Park Executive Agency	4,200
<b>Total administration appropriations in aid</b>	<b>80,000</b>
<b>Programme</b>	
(viii) Receipts for visa and other services provided at consular offices	379,722
(ix) Distressed British nationals repayment of advances	25
(x) DfID payments to the Commonwealth Foundation	253
<b>Total programme appropriations in aid</b>	<b>380,000</b>
<b>Total resource appropriations In aid</b>	<b>460,000</b>

**Table 11** Continued

<b>Net RFR1 Resource budget within departmental expenditure limits (DEL)</b>	<b>1,621,093</b>
<b>Annually managed expenditure (AME) and non-budget expenditure</b>	
(1) Impairment provision reclassified to AME	50,000
(2) Reimbursements of certain duties, taxes and licence fees	18,000
<b>Total non-budget</b>	<b>68,000</b>
<b>Total resource estimate provision RFR 1</b>	<b>1,689,093</b>
<b>RFR 2: Conflict prevention</b>	
<b>Spending in departmental expenditure limits (DEL)</b>	
Section A Sub-Saharan Africa – programme expenditure	4,688
Section B - Programmes expenditure	19,793
Section C Sub-Saharan Africa – peacekeeping	100,000
Section D Global – peacekeeping	83,125
Section E Stabilisation Aid Fund	28,000
<b>Total resource estimate provision RFR 2</b>	<b>235,606</b>
<b>Total resource estimate provision for FCO 2008/09</b>	<b>1,924,699</b>
<i>Reconciliation to resource budget in Table 8</i>	
Add common foreign and security policy attribution	3,000
Add departmental unallocated provision	17,000
Deduct expenditure on reimbursement of duties, taxes and licences (outside DEL)	-18,000
Deduct capital grant, reclassified as capital.	-47,000
<b>Total FCO resource budget</b>	<b>1,879,699</b>
<b>Capital budget</b>	
<b>RFR 1: Promoting internationally the interests of the UK and contributing to a strong world community</b>	
(i) Purchase of computers, computer technology including word processors, ADP systems and wireless and telegraphic equipment	43,000
(ii) Overseas estate, land, office and residential accommodation etc and the construction of new buildings and alterations for representational purposes	124,200
(iii) Official transport, office machinery, furniture and fittings and misc. expenditure for use in the UK and abroad.	9,860
<b>Gross capital expenditure</b>	<b>177,060</b>
(i) Receipts from the sale of certain land and buildings	18,000
<b>Capital appropriations in aid</b>	<b>18,000</b>
<b>Net FCO estimate provision for capital 2008/09</b>	<b>159,060</b>
<i>Reconciliation to capital budget in Table 8</i>	
Add capital grants	47,000
Add departmental unallocated provision	0
<b>Total FCO capital budget</b>	<b>206,060</b>

Note: FCO Services became a trading fund on 1 April 2008. As a result FCO Services account for wider market sales (estimated at £18.1 million).

**Table 12 Long-term capital projects 2008/09 (capital costs only)**

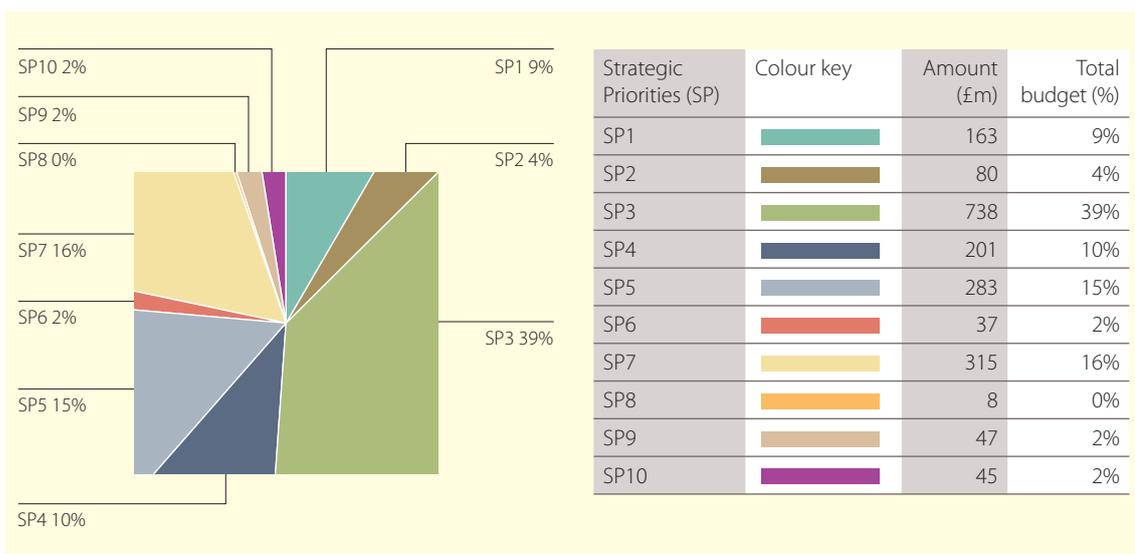
Details of capital projects over £1 million

Project	Current estimate of expenditure					
	Original estimate of year of completion	Current estimate of completion	Current estimate of capital cost (£m)	Expenditure in previous years (£m)	Estimated expenditure 2008/09 (£m)	To be spent in future years (£m)
<b>IT projects</b>						
FCOWeb	2005	2009	7.528	6.336	1.169	0.023
Future Firecrest Programme	2004	2010	130.000	79.700	35.700	14.600
High classification systems programme	2004	2009	4.824	4.244	0.580	0.000
Ocean Programme	2010	2010	9.000	1.000	7.000	1.000
Disaster recovery facilities	2008	2008	1.498	0.000	1.498	0.000
Secure video conferencing	2008	2008	1.487	1.487	0.000	0.000
<b>Estate building projects.</b>						
Contracts let:						
Algiers office	2006	2008	17.883	10.286	7.597	0.000
Baghdad residence	2008	2008	22.000	4.936	17.064	0.000
Bangkok staff housing	2005	2008	10.548	6.385	4.163	0.000
Bogota office refurbishment	2008	2008	1.950	1.005	0.945	0.000
Colombo office	2003	2008	11.735	9.535	2.200	0.000
Hanslope Park ICT building	2005	2008	33.652	32.152	1.500	0.000
Hanslope Park UPS units for ICT	2006	2008	3.800	3.800	0.000	0.000
Hanslope Park security works	2008	2008	4.923	1.733	3.190	0.000
Harare office	2006	2008	14.771	14.271	0.500	0.000
Kabul office adaption	2008	2008	4.362	4.330	0.032	0.000
Kiev offices	2008	2009	4.510	1.551	2.652	0.307
Manila offices	2008	2008	17.960	12.906	5.054	0.000
Moscow residence	2007	2008	11.906	5.195	6.711	0.000
Mumbai offices	2008	2008	25.000	17.361	7.639	0.000
Taipei offices	2008	2008	1.835	1.800	0.035	0.000
<b>Security works</b>						
New Delhi wall and guard lounge	2010	2010	1.348	0.000	0.500	0.848

**Table 13 Resource budget outturn by Strategic Priority (£m)<sup>1</sup>**

**Aim: To work for the United Kingdom's interests in a safe, just and prosperous world.**

Strategic Priorities (SPs):	
<b>SP1</b>	Making the world safer from global terrorism and weapons of mass destruction (WMD).
<b>SP2</b>	Reducing the harm to the UK from international crime, including drug trafficking, people smuggling and money laundering.
<b>SP3</b>	Preventing and resolving conflict through a strong international system.
<b>SP4</b>	Building an effective and globally competitive EU in a secure neighbourhood.
<b>SP5</b>	Supporting the UK economy and business through an open and expanding global economy, science and innovation and secure energy supplies.
<b>SP6</b>	Achieving climate security by promoting a faster transition to a sustainable, low carbon global economy.
<b>SP7</b>	Promoting sustainable development and poverty reduction underpinned by human rights, democracy, good governance and protection of the environment.
<b>SP8</b>	Managing migration and combating illegal immigration.
<b>SP9</b>	Delivering high quality support for British nationals abroad, in normal times and in crises.
<b>SP10</b>	Ensuring the security and good governance of the UK's Overseas Territories.



Reconciliation to core Table 4 2006/07 resource net outturn	(£m)
2006/07 Net outturn resource accounts	1,925
Add common foreign and security policy attribution (not in resource accounts)	3
Add gains and losses from sale of capital assets	0
Machinery of government change (DESO)	2
Deduct expenditure on reimbursement of duties, taxes and licences (outside DEL)	-20
Deduct capital grant classified as capital in budgets	-56
<b>Table 4 2006/07 Resource budget net outturn</b>	<b>1,854</b>

<sup>1</sup> Objectives were revised this year in order to realign them more closely with the FCO Strategic Priorities. It is not considered appropriate to restate prior year figures.

**Table 14 UK contributions to United Nations system, 2007\***

<b>UK Assessed Contributions to UN System</b>	(£)
Basel Convention – control of transboundary movement of hazardous wastes and their disposal	240,000
Bonn Convention on Migratory Species	346,808
Convention on Biological Diversity	329,695
Convention on International Trade in Endangered Species	152,850
Food and Agriculture Organisation	13,152,296
Framework Convention on Climate Change – core convention budget	512,952
Framework Convention on Climate Change – Kyoto Protocol, interim allocation	388,166
International Atomic Energy Agency – regular budget	9,178,264
International Civil Aviation Organisation	1,734,931
International Criminal Court	6,818,046
International Criminal Tribunal for Rwanda	4,858,441
International Criminal Tribunal for Yugoslavia	5,845,538
International Labour Organisation	9,381,672
International Maritime Organisation	1,123,294
International Seabed Authority (UNCLOS)	230,249
International Tribunal for the Law of the Sea (UNCLOS)	1,029,860
International Telecommunications Union (ITU)	1,346,431
Montreal Protocol: Multilateral Implementation Fund	5,600,000
Permanent Court of Arbitration	33,199
Ramsar Convention	99,634
Rotterdam Convention – Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade	83,000
Stockholm Convention – persistent organic pollutants	146,000
UN Economic Commission for Europe: Convention on Long-range Transboundary Air Pollution	263,145
UN Educational Scientific and Cultural Organisation	10,860,520
UN Industrial Development Organisation	4,351,461
United Nations Regular Budget	69,110,416
UN Capital Master Plan	13,262,825
Universal Postal Union (UPU)	930,098
World Health Organisation (WHO)	13,743,781
World Intellectual Property Organisation	474,847
World Meteorological Organisation	1,802,687
World Tourism Organisation	144,024
<b>Subtotal</b>	<b>£177,575,130</b>
<b>UK Voluntary Contributions to the UN System</b>	
Basel Convention	85,250
Bonn Convention on Migratory Species	76,881
Convention on Biodiversity	70,000
Conservation and Management of Marine Turtles & their Habitats, SE Asia & Indian Ocean	20,000
Convention on International Trade in Endangered Species	96,000
Food and Agriculture Organisation	8,031,590
Intergovernmental Panel on Climate Change – Trust Fund	408,300

**Table 14** Continued

International Atomic Energy Agency	3,671,633
International Civil Aviation Organisation (ICAO)	222,802
International Criminal Tribunal for Yugoslavia – Bosnia War Crimes Chamber	150,000
International Fund for Agricultural Development (IFAD)	14,262,000
International Labour Organisation (ILO)	3,300,000
International Maritime Organisation (IMO)	175,000
International Union for the Protection of New Varieties of Plants	44,935
Khmer Rouge Tribunal	500,00
Montreal Protocol (Ozone) Trust Fund	139,359
Office of High Commissioner for Human Rights (OHCHR)	500,000
Office of High Commissioner for Human Rights (OHCHR) – Nepal	729,125
OHCHR – Fund for Victims of Torture	50,000
Special Court for Sierra Leone	2,040,000
UN AIDS	24,312,104
UN Centre for Human Settlements (Habitat)	1,000,264
UN Children's Fund (UNICEF)	93,572,282
UN Conference on Trade and Development	1,693,185
UN Department for Disarmament Affairs – Lima Regional Centre	110,686
UN Development Fund for Women (UNIFEM)	5,994,108
UN Development Programme (UNDP)	210,906,952
UN Economic Commission for Europe – Aarhus Convention	30,000
UN Educational Scientific and Cultural Organisation (UNESCO)	621,207
UN Environment Programme (UNEP)	4,215,000
UNEP/WMO – Intergovernmental Panel on Climate Change	202,429
UN Framework Convention on Climate Change – Nairobi Work Programme	50,000
UN Population Fund (UNFPA)	31,701,280
UN Global Compact – civil society coordinator (funding over 3 years 2006/08)	125,000
UN High Commissioner for Refugees	21,631,590
UN Industrial Development Organisation (UNIDO)	500,000
UN Institute for Training and Research (UNITAR)	257,500
UN International Strategy for Disaster Reduction	1,000,000
UN Mission in Nepal – UN Peace Fund	500,000
UN Office for Drugs Control and Crime Prevention	2,608,724
UN Office for the Co-ordination of Humanitarian Affairs	58,217,910
UN Office for Project Services (UNOPS) – Consulting	375,626
UN Relief and Works Agency	15,600,000
UN Research Institute for Social Development	350,000
UN Special Representative of the Secretary-General, Nepal	957,000
Universal Postal Union	70,686
Vienna Convention (Ozone) Trust Fund	18,320
World Food Programme	5,000,000
World Health Organisation	87,663,473
World Heritage Fund	93,662
World Meteorological Organisation	987,425
<b>Subtotal</b>	<b>£604,939,288</b>

**Table 14** Continued

<b>UN Peacekeeping</b>	
UN Integrated Mission in Timor-Leste (UNMIT)	11,113,266
UN Interim Force in Lebanon (UNIFIL)	45,361,324
UN Interim Mission in Kosovo (UNMIK)	11,853,600
UN Mission for the Referendum in Western Sahara (MINURSO)	2,394,693
UN Mission in Ethiopia and Eritrea (UNMEE)	3,458,933
UN Mission in Haiti (MINUSTAH)	29,451,750
UN Mission in Sudan (UNMIS)	43,058,623
UN Observer Mission in Georgia (UNOMIG)	1,528,183
UN Mission in Liberia (UNMIL)	39,717,737
UN Operation in Burundi (UNOB)	10,144,095
UN Operation in Cote d'Ivoire (UNOCI)	19,914,018
UN Mission in the Democratic Republic of Congo (MONUC)	39,990,951
UN Peacekeeping Force in Cyprus (UNFICYP)	918,703
UN Disengagement Observer Force	1,411,206
<b>Subtotal</b>	<b>£260,317,082</b>
<b>Total contributions</b>	<b>£1,042,831,500</b>

\* Based on payment figures from UN, UK Government Departments & Agencies.

**Table 15 UK contributions to non-UN peacekeeping**

	Programme/Activity	2007/08 (RAB) forecast expenditure
<b>SUB-SAHARAN AFRICA</b>		
<b>Assessed contributions</b>		
<b>Country/Region</b>		
The Central African Republic and Chad	EUFOR Chad/CAR	5,861,226
Democratic Republic of Congo	EUPOL Kinshasa	692,593
Democratic Republic of Congo	EUSEC Congo	1,221,481
Rwanda	ICTR	4,908,440
Sudan	EU support to AMIS	267,593
	<b>Total</b>	<b>12,951,333</b>
<b>Non-assessed contributions</b>		
<b>Country/Region</b>		
DR Congo	EUSEC DRC	74,331
Sierra Leone	Special Court for Sierra Leone	3,000,000
Somalia	Support to AMISOM	7,850,000
Sudan	Support to AMIS (transition to UNAMID)	11,729,750
Sudan	Support to EU Mission in Sudan	626,947
	<b>Total</b>	<b>23,281,028</b>
<b>GLOBAL (NON SUB-SAHARAN AFRICA)</b>		
<b>Assessed contributions</b>		
<b>Country/Region</b>		
Afghanistan	ESDP Rule of Law Mission	5,490,370
Albania	OSCE	282,000
Armenia	OSCE	176,000
Azerbaijan	OSCE	188,000
Belarus	OSCE	68,000
Bosnia and Herzegovina	EUPM	1,863,704
Bosnia and Herzegovina	OSCE	1,235,000
Croatia	OSCE	502,000
Georgia	OSCE	807,000
International Criminal Court	ICC	6,863,045
Kazakhstan	OSCE	151,000
Kosovo	ESDP Rule of Law Mission	6,134,946
Kosovo	OSCE	2,410,000
Krygystan	OSCE	319,000
Macedonia (FYRO)	OSCE	744,000
Moldova	OSCE	142,000
Montenegro	OSCE	167,000
Nagorno-Karabakh	OSCE	152,000
Occupied Palestinian Territories	EUBAM Rafah	881,481

**Table 15** Continued

Serbia	OSCE	573,000
Tajikistan	OSCE	298,000
Turkmenistan	OSCE	98,000
Ukraine	OSCE	188,000
Uzbekistan	OSCE	123,000
International Criminal Tribunal for the Former Yugoslavia	ICTY	6,491,414
	<b>Total</b>	<b>36,347,960</b>
<b>Non-assessed contributions</b>		
<b>Country/Region</b>		
Afghanistan	ESDP Rule of Law Mission	1,404,521
Albania	OSCE	227,190
Armenia	OSCE	0
Azerbaijan	OSCE	46,325
Belarus	OSCE	24,884
Balkans	ESDP Mission	31,000,000
Bosnia and Herzegovina	EUPM	804,104
Bosnia and Herzegovina	OSCE	139,422
Croatia	OSCE	29,942
Cambodia	Khmer Rouge Tribunal	500,000
Georgia	EUSR PoAd	61,507
Georgia	OSCE	207,005
Iraq	Iraq CivPol	10,870,284
Iraq	EUJUST Lex	781,160
Kazakhstan	OSCE	0
Kosovo	OSCE	301,189
Kosovo	EUSR/ICM	90,550
Kyrgystan	OSCE	16,000
Macedonia	OSCE	234,328
Moldova/Ukraine	EUBAM	84,259
Moldova	OSCE	59,074
Nagorno-Karabakh	OSCE	58,770
Nepal	UNMIN	546,674
Palestine	EUBAM Rafah	93,418
Palestine	EUPOL COPPS	171,489
Palestine	EUBAM Karni	3,822
OSCE Secretariat	OSCE	334,424
Serbia	OSCE	312,765
Tajikistan	OSCE	98,181
Turkmenistan	OSCE	14,500
Ukraine	OSCE	0
Uzbekistan	OSCE	0
Western Balkans	EUMM	99,580
	<b>Total</b>	<b>48,615,367</b>

**Table 15** Continued

<b>SUB-SAHARAN AFRICA</b>		
Total assessed		12,951,333
Total non-assessed		23,281,028
<b>SUB-SAHARAN AFRICA TOTAL</b>		<b>36,232,361</b>
<b>GLOBAL (NON SUB-SAHARAN AFRICA)</b>		
Total assessed		36,347,960
Total non-assessed		48,615,367
<b>GLOBAL (NON SUB-SAHARAN AFRICA) TOTAL</b>		<b>84,963,327</b>
<b>TOTAL</b>		<b>121,195,689</b>

Note: Assessed costs – are obligatory contributions to international organisations. The UK pays a share of the costs of each mission based on the rate of assessment of the relevant organisation.

Non-assessed costs – are voluntary contributions that the UK makes to peacekeeping efforts. This can be military or civilian personnel contributed to a mission or additional funding.

**Table 16** Appointments to NDPBs

Appointments are now published on the FCO website: [www.fco.gov.uk/en/about-the-fco/what-we-do/building-strong-relationships-ol/stakeholder-groups/non-dept-public-bodies](http://www.fco.gov.uk/en/about-the-fco/what-we-do/building-strong-relationships-ol/stakeholder-groups/non-dept-public-bodies)

FCO non-departmental public bodies are:

Westminster Foundation for Democracy
British Association for Central and Eastern Europe
British Council
Marshall Aid Commemoration Commission
Great Britain China Centre
Diplomatic Service Appeal Board
Wilton Park Academic Council
Government Hospitality Advisory Committee for the Purchase of Wine
The Foreign Compensation Commission

**Table 17** Exceptions to fair and open competition 2007/08

Our fundamental principle for recruitment is that selection for appointment is made on merit within a framework of fair and open competition. The following exceptions were made during the period in line with the Civil Service Commissioners' recruitment code. The category all of the exemptions fall into is short-term appointments (up to a maximum of five years); extensions (to the advertised term, including conversion of appointees to permanent positions); specialists (where only one source is capable of providing the necessary products or services because of the uniqueness or high degree of specialisation required); and New Deal (appointments made in line with the Jobcentre Plus' New Deal scheme, under the Department for Work and Pensions).

<b>Extensions</b>	<b>37</b>
<b>Specialists</b>	<b>1</b>
<b>New Deal</b>	<b>0</b>

**Table 18 Contingent liabilities**

Nature of liability	Amount outstanding at 31 March 2007 (£000)
<b>Liabilities disclosed under FRS 12:</b>	
Disputed claims for rents payable on overseas properties	788
Potential overseas national insurance liabilities and various other related claims	2,230
Not required to be disclosed under FRS12 but included for parliamentary reporting and accountability purposes.	21,708

**Table 19 Senior heads of mission salaries (Director General level and above)**

Salary range (£)*	Number of officers
180,000–189,999	2
170,000–179,999	1
160,000–169,999	2
150,000–159,999	0
140,000–149,999	5
130,000–139,999	3
120,000–129,999	6
110,000–119,999	11
100,000–109,999	3
90,000–99,999	1
<b>Total</b>	<b>34</b>

\* Basic salary only

**Table 20 Senior management structure: paybands 1 and 2**

Salary range (£)*	Number of officers
125,000–129,999	1
120,000–124,999	0
115,000–119,999	2
110,000–114,999	2
105,000–109,999	5
100,000–104,999	5
95,000–99,999	6
90,000–94,999	8
85,000–89,999	33
80,000–84,999	52
75,000–79,999	15
70,000–74,999	35
65,000–69,999	64
60,000–64,999	79
55,000–59,999	52
<b>Total</b>	<b>359</b>

**Table 21 Consultants**

FCO expenditure on external consultants and contractors in 2006/07 amounted to £27.7m. FCO Services as a separate identity spent £20.4m. The great majority of this expenditure was associated with our major IT and estate construction programmes. The top five suppliers, in terms of expenditure, within this period were as follows:

Supplier
Hewlett Packard
CapGemini
PA Consulting Group
Logica CMG
Fujitsu Services

Estimated spend on consultants in 2007/08 is £59.6m and £4.8m on contractors and agency staff.

**Table 22 Sponsorship £5,000 and over**

Post / UK	Description of project	Total forecast project costs (£)	Name of sponsor(s)	Value of sponsorship (£)	
				Cash (£)	In kind (£)
Pretoria	Queen's Birthday Party (QBP)	14,200	Virgin	11,000	
			L'Ormarins Vineyard (Wine)		1,200
Tokyo <sup>1</sup>	UK – Japan 2008	775,000	Astra Zeneca	28,302	
			Daiwa Securities	28,302	
			HSBC	23,585	
			LRQA	28,302	
			Nissan	28,302	
			Virgin Atlantic	28,302	
			Wedgewood	28,302	
			Ales International Co Ltd	14,151	
			BT Japan Ltd	14,151	
			Museum Taisei Ltd	14,151	
			The Roland Foundation	14,151	
			WHD Entertainment Ltd	14,151	
			Mori Building Co. Ltd	16,509	
Shanghai <sup>2</sup>	Shanghai Expo 2010	10,000,000–12,000,000	AstraZeneca	200,000	
			GKN	500,000	
			BP	242,600	
	<b>Total</b>	<b>£10,789,000–£12,789,000</b>	<b>Subtotal</b>	<b>£1,234,261</b>	<b>£1,200</b>
			<b>Total sponsorship</b>	<b>£1,235,461</b>	

Corporate sponsorship helps to reduce the overall burden on the taxpayer of the costs of our activities at home and overseas. We have produced guidelines for departments and posts which identify best practice and incorporate Cabinet Office guidance on issues of propriety.

<sup>1</sup> The figure of £775,000 is for total project funding.

<sup>2</sup> The overall cost of the UK's presence at the Shanghai Expo (pavillion and associated programme of events and activities) will be £10–12 million.

**Table 23 Freedom of Information statistics 2007**

<b>FOI Statistics 2007</b>						
	Full & partial disclosure	Full refusal incl. >£600*	Information not held	Clarification sought	Unresolved at year end	Total received
	412 (40%)	353 (34%)	168 (16%)	76 (7%)	18 (2%)	1,027

\* Includes vexatious and repeated requests and those where handling costs would have exceeded £600

NB: Full year figures not yet validated by Ministry of Justice.

<b>Comparative figures 2006/07</b>			
	2006	2007	Difference
Requests received	1025	1027	0%
Internal reviews	72	43	-40%
Information Commissioner's Office complaints	50	17	-66%
Information tribunal appeals	1	6	+600%
Data Protection Act requests	111	215	+94%

# Assessing our performance against Public Service Agreement (PSA) targets

This chapter details performance against all FCO PSA targets, including those shared with Whitehall partners. During 2007/08 the FCO worked towards nine PSA targets set during the 2004 spending review (SR04). This will be the final assessment against the FCO's SR04 PSA targets.

The FCO measures performance against PSA targets using scorecards developed from PSA technical notes, which detail the full text of the agreement between the FCO and HM Treasury (HMT). For this report, we commissioned performance assessments against all indicators listed in the technical note.

The report against the nine SR04 PSA targets, and the underpinning indicators, is summarised with traffic light assessments and performance narratives. An overall assessment against each PSA target is based on an aggregation of indicator assessments. The following assessment terms are used, reflecting HMT Public Expenditure System (PES/2007/21) guidance.

## SR04 PSA targets – final performance assessments for targets and indicators

Green		<b>Met / Met (ongoing)</b> – where the target has been achieved by the target date, or for older open-ended targets, where the target level has been met and little would be achieved by continuing to report the same information indefinitely.
Amber		<b>Partly met</b> – where a target has two or more distinct elements, and some – but not all – have been achieved by the target date.
Red		<b>Not met</b> – where a target has not been met or will be met late.
White		<b>Not assessed / Not known</b> – a target for which data is not available or the indicator is no longer relevant.

The performance assessments within this report update those in the *FCO Autumn Performance Report 2007* (published on [www.fco.gov.uk](http://www.fco.gov.uk) on 13 December 2007).

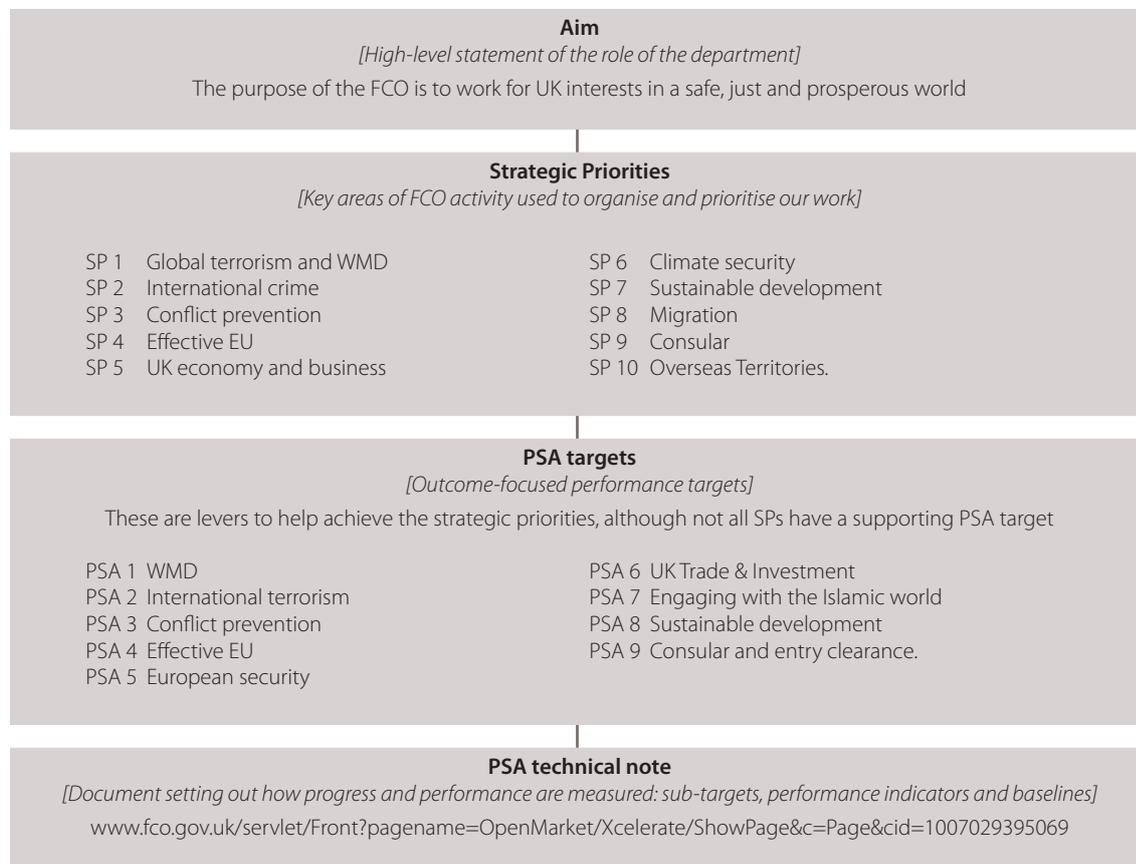
### Data quality and sources

The National Audit Office (NAO) conducted an audit between December 2006 and January 2007 of the data systems supporting all FCO PSA targets. The findings of this audit have recently been published, and can be found in the NAO's Fourth Validation Compendium Report (available at [www.nao.org.uk](http://www.nao.org.uk)). The quality and availability of data sources supporting narrative statements and links to further sources of information are shown on page 170.

### Tracking recent performance

The nine SR04 PSA targets are underpinned by 71 indicators or sub-targets. A final summary of all performance assessments given against these targets and indicators between April 2005 and March 2008 is available on page 171.

### Structure of the SR04 PSA



# Progress towards PSA targets

## Summary of FCO performance towards SR04 PSA targets

	Overall performance 1 April 2007 – 31 March 2008
<b>PSA 1</b> – To deter, check and roll back programmes for the development of <b>WMD</b> and related delivery systems in countries of concern, and to reduce the supply of, and demand for, such weapons worldwide.	 Red – Not met
<b>PSA 2</b> – To reduce the risk from <b>international terrorism</b> so that UK citizens can go about their business freely and with confidence.	 Amber – Partly met
<b>PSA 3</b> – By 2008, deliver improved effectiveness of UK and international support for <b>conflict prevention</b> by addressing long-term structural causes of conflict, managing regional and national tension and violence, and supporting post-conflict reconstruction, where the UK can make a significant contribution, in particular Africa, Asia, Balkans and the Middle East.	 Amber – Partly met
<b>PSA 4</b> – A reformed and <b>effective</b> (post-enlargement) <b>EU</b> , as measured by progress towards achieving UK policy priorities; including a robust and effective common foreign and security policy (CFSP) which complements the North Atlantic Treaty Organisation (NATO).	 Amber – Partly met
<b>PSA 5</b> – Play a leading role in the development of the <b>European security</b> agenda, and enhance capabilities to undertake timely and effective security operations, by successfully encouraging a more efficient and effective NATO, a more coherent and effective European security and defence policy (ESDP) operating in strategic partnership with NATO, and enhanced European defence capabilities.	 Amber – Partly met
<b>PSA 6</b> – By 2008, deliver a measurable improvement in the business performance of <b>UK Trade &amp; Investment's (UKTI)</b> international trade customers with an emphasis on new to export firms; and maintain the UK as the prime location in the EU for foreign direct investment.	 Amber – Partly met
<b>PSA 7</b> – To increase understanding of, and <b>engagement with, Islamic countries and communities</b> and to work with them to promote peaceful political, economic and social reform.	 Amber – Partly met
<b>PSA 8</b> – To promote <b>sustainable development</b> , underpinned by democracy, good governance and human rights, particularly through effective delivery of programmes in these and related fields.	 Green – Met (ongoing)
<b>PSA 9</b> – Effective and efficient <b>consular and entry clearance services</b> , as measured by specific underlying targets.	 Amber – Partly met

## SR04 PSA 1 – WMD target

To deter, check and roll back programmes for the development of WMD and related delivery systems in countries of concern, and to reduce the supply of, and demand for, such weapons worldwide.

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to revised **Strategic Priority 1: Making the world safer from global terrorism and weapons of mass destruction**.

This target is made up of four indicators, A–D, listed below. The overall assessment is an aggregation of these progress assessments.



**Red – Not met**

### Overall assessment of progress 1 April 2007 – 31 March 2008

The proliferation of WMD, their means of delivery and associated technologies continue to pose a grave threat to international security. The FCO remains seriously concerned about Iran's nuclear programme and its continued defiance of a number of United Nations Security Council Resolutions (UNSCRs); our efforts to find a diplomatic solution continue. Iran is the reason that the overall indicator is red. Although the Six Party talks with the Democratic People's Republic of Korea (DPRK) have made progress, substantial work remains to be done; we continue to call on DPRK to meet its obligations under the second phase of the talks. The FCO has also recognised the need to step up its efforts to tackle the threat of chemical, biological, radiological and nuclear (CBRN) terrorism. Awareness of the scale and nature of the WMD threat continues to increase through UK efforts, for example in the Global Initiative to Combat Nuclear Terrorism and the Proliferation Security Initiative, while outreach work has assisted other states to strengthen their export controls policies. The FCO has also developed the Academic Technology Approval Scheme (ATAS). This provides comprehensive checks on non-EEA nationals hoping to pursue postgraduate courses that may be of proliferation concern.

### Target indicator

### Progress assessment 1 April 2007 – 31 March 2008

A) Contribution towards **rolling back programmes** or potential emerging programmes in countries of concern and consolidating progress already made.

**Red – Not met**

Iran is the main reason that progress against this indicator has been slower than expected; work relating to other countries of concern has yielded more positive outcomes. Iran has continued to defy UNSCRs 1696, 1737 and 1747 with its enrichment-related, reprocessing and heavy-water related activities. The UK's active leadership in the E3+3 process has sought to find a diplomatic solution to Iran's nuclear programmes of concern. Through sanctions we continue to apply pressure on Iran to suspend these activities until international confidence in its intentions has been restored. Most recently the UK was instrumental in drafting and then securing near unanimity for UNSCR 1803 (3 March 2008). We have also been active in pressing for further EU measures. In parallel the UK has made clear that the generous offer made to Iran in June 2006 remains on the table, and that we will consider means to further develop it.

DPRK is also of concern, despite some progress. The Second Phase, 3 October Agreement, committed DPRK to disable its existing core nuclear facilities and to provide a complete declaration of all its nuclear programmes by the end of 2007. Disablement is taking place but a credible declaration has not yet been produced. The UK called on DPRK to meet its obligations under the Agreement both unilaterally, through our Embassy in Pyongyang, and multilaterally in various international fora. The UK actively supported a proposal for an EU Joint Action contribution towards the cost of the International Atomic Energy Agency's (IAEA) monitoring programme in North Korea.

We have continued to work towards bringing India closer to the non-proliferation mainstream, including through our support of the US India Civil Nuclear Co-operation Initiative. This initiative remains blocked due to political difficulties in New Delhi. We have also encouraged Pakistan to make clear and sustained progress in WMD transparency and confidence-building measures (e.g. by agreeing to start negotiations on a Fissile Missile Cut-off Treaty).

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>B) Success in raising <b>awareness</b> of the scale and nature of the WMD threat and increased commitment to non-proliferation norms, leading to more robust action by the international community.</p>	<p><b>● Amber – Partly met</b></p> <p>The number of countries indicating their political support for the Global Initiative to Combat Nuclear Terrorism (GICNT) increased from 15 to over 65, partly as a result of FCO lobbying. FCO input at a GICNT meeting in Astana helped to focus the initiative on a forward plan of work that includes a number of expert-level capacity-building workshops. In September the UK also hosted a GICNT Anti-Nuclear Smuggling Assistance Workshop.</p> <p>The UK has recently funded Missile Technology Control Regime technical consultations with India, co-funded a UNSCR 1540 seminar in Beijing, and hosted an export control workshop in London for Pakistan. This last project was the fourth in a series of events focusing on the new Pakistani export control authority, the Strategic Export Controls Division. The UK continues to play a leading role in the EU Pilot Project Export Control Outreach Programme with China, hosting a seminar in London in August 2007 and helping the EU's implementing agent, BAFA, to agree a forward programme of events.</p> <p>The UK is at the forefront of efforts to ensure the full implementation of UNSCR 1540. The UK, both bilaterally and through the EU and UN, has funded workshops and conferences that have raised awareness and reduced misperceptions of UNSCR 1540, and that have enabled assistance providers to better focus their help.</p> <p>The UK continued to play a lead role in the Proliferation Security Initiative (PSI). At the UK-hosted meeting of the PSI Operational Experts Group in London in February, participants demonstrated their continuing commitment to combating the illicit trafficking of WMD materials. The meeting included an outreach session to states from the Gulf and Levant regions.</p>
<p>C) UK's contribution to <b>strengthening international instruments</b>, organisations and export control regimes to counter WMD development and proliferation.</p>	<p><b>● Amber – Partly met</b></p> <p><b>Nuclear Non-Proliferation Treaty (NPT):</b> The UK, nationally and as chair of the Western Group, played a key role in the successful outcome to the first Preparatory Committee of the 2010 review cycle, held in April–May 2007. Good atmospherics and substantive working papers, including agreement of the chairman's summary as a working paper of the conference, provided a good basis on which to strengthen the three pillars of the NPT at the 2010 Review Conference.</p> <p>The UK has since worked to build consensus to reinforce the three pillars of the NPT. We are contributing to the development of an international regime of guaranteed nuclear fuel supply under IAEA auspices to make the acquisition of enrichment and reprocessing facilities unattractive and unnecessary. The UK's call for a reinvigorated approach to nuclear disarmament has been widely welcomed. We are at the forefront of work to start negotiations on a Fissile Material Cut-Off Treaty in the Conference on Disarmament and are undertaking ground-breaking studies into technical and practical aspects of nuclear disarmament verification.</p> <p><b>Biological and Toxin Weapons Convention:</b> UK papers contributed to the positive conclusion of the 2007 work programme, reaffirming the importance of comprehensive national implementation and enforcement measures for the effective operation of the convention. FCO lobbying contributed to four new accessions to the convention.</p> <p><b>Chemical Weapons Convention (CWC):</b> The UK worked towards building consensus on key issues to be discussed at the April 2008 Review Conference through our chairmanship of the preparatory working group, and active contribution of working papers. We continue to assist with Iraq's preparations (which are advanced) to accede to the CWC. Work has included UK participation in four workshops for Iraqi officials held by the Organisation for the Prohibition of Chemical Weapons.</p> <p><b>Comprehensive Nuclear Test Ban Treaty:</b> Six more states, including Colombia, ratified the Treaty as a result of EU demarches in which the UK played an active role.</p> <p>At the <b>Missile Technology Control Regime (MTCR)</b> plenary in Athens in November 2007, the UK played a crucial role in multilateral negotiations, which resulted in the MTCR adopting an EU watch-list on Iran. This asked MTCR states to take further considerations with transfers of certain non-controlled goods to Iran. This was in direct support of UNSCRs 1737 and 1747.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
	<p><b>Nuclear Suppliers Group:</b> The UK has continued to lead on work towards agreement on restricting transfers of proliferation-sensitive technology, as well as making the Additional Protocol a condition of supply. This has included pressing through the G8, where agreement has to date proved impossible.</p> <p><b>Hague Code of Conduct:</b> On 3 January 2008 Russia announced its decision to suspend its submission of Pre-Launch Notifications. The UK has been at the forefront of the EU's response to this development, with the EU agreeing to carry out demarches shortly to support Russian and US obligations under the code.</p>
D) UK support for the development of co-operative <b>threat reduction</b> schemes.	<p> <b>Green – Met (ongoing)</b></p> <p>During 2007 the UK implemented several key projects to combat the threat of proliferation of weapons and materials of mass destruction, both bilaterally and in partnership with a number of other donors, including Canada, France, Norway, Sweden and the USA. UK work was a joint effort by the FCO, BERR and MoD. We worked closely with international organisations with a strong interest in non-proliferation, safety and security issues. The UK was instrumental in securing agreement to a mid-term review of the Global Partnership by the German G8 Presidency. This review recognised the substantial value of the Global Partnership in addressing international proliferation, safety and security concerns.</p>
Other (platform to highlight performance not covered above).	<p>The Academic Technology Approval Scheme (ATAS) online system went live as planned on 1 November 2007. ATAS is a mandatory pre-entry clearance vetting scheme for non-EEA nationals wishing to study specific, limited postgraduate courses that may be of proliferation concern. On 30 November an amendment of the immigration rules made possession of an ATAS certificate a mandatory requirement. Since ATAS's inception, nearly 3,000 certificates have been issued, with fewer than 1 per cent refused. Close co-operation with academia throughout has ensured the success of this scheme. We are continuously reviewing implementation to ensure the scheme does not create an unnecessary barrier to overseas students, while at the same time giving the UK enhanced counter-proliferation checks. The Parliamentary Quad Committee warmly welcomed this initiative when they visited the FCO in April 2007.</p>

#### Notes on measurement

The illicit and covert nature of proliferation makes it difficult to ensure that progress against the target indicators is measured accurately. Furthermore, work to combat proliferation is often done with international partners through the various treaty regimes and multilateral initiatives. It is therefore difficult to quantify the impact of the FCO, as distinct from that of other members of the international community. Assessments of progress are made by relevant experts in the FCO. They will draw on internal FCO reporting and other appropriate contacts, including other government departments, agencies and overseas governments.

#### Data sources

**Indicator A:** UN website and internal FCO reporting.

**Indicator B:** FCO website, various external websites (UN, MTCR, etc) and internal FCO reporting.

**Indicator C:** UN website, various export control regimes and internal FCO reporting.

**Indicator D:** Global Partnership and Global Threat Reduction website and internal FCO reporting.

**Other:** ATAS website and internal FCO reporting.

**SR04 PSA 2 – Terrorism target**

To reduce the risk from international terrorism so that UK citizens can go about their business freely and with confidence.

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to revised **Strategic Priority 1: Making the world safer from global terrorism and weapons of mass destruction.**

This target is made up of six indicators, A–F, listed below. The overall assessment is an aggregation of these progress assessments.

 <p><b>Amber – Partly met</b></p>	<p><b>Overall assessment of progress 1 April 2007 – 31 March 2008</b></p> <p>Our highest priority targets remain A, C and E. We are focused strongly on a targeted list of priority countries, with robust analysis of partners' assistance needs. We have continued to use bilateral dialogue with strategic allies to raise awareness and share analysis of the evolving threat. The scale of the threat is well understood by key partners, and political will and capability to tackle it continues on a broadly upward curve.</p> <p>It remains the case that the scale and complexity of the threat, and therefore the challenge of response, is greater than it was judged at the beginning of SR04. This has been recognised for CSR07 in the elements of the settlement relating to counter terrorism. From December 2007, the FCO's Counter-Terrorism and Policy Department (CTPD) merged with its Engaging with the Islamic World Group (EIWG) to form the Counter-Terrorism Department.</p>
<p><b>Target indicator</b></p>	<p><b>Progress assessment 1 April 2007 – 31 March 2008</b></p>
<p>A) Raised <b>awareness</b> of the scale and nature of the terrorist threat, leading to more robust action by the international community.</p>	<p> <b>Green – Met (ongoing)</b></p> <p>We have continued to use the EU and G8 to raise our partners' awareness of threat levels, and to explore new mechanisms to counter terrorist activities and radicalisation, such as the EU's asset-freezing work.</p> <p>Dialogue with key bilateral partners has continued.</p>
<p>B) A clear determination of the scope for <b>preventive action</b> against terrorist targets overseas; effective decision-making mechanisms in place to authorise such action; and well co-ordinated capabilities for such action.</p>	<p> <b>Green – Met (ongoing)</b></p> <p>Decision-making mechanisms, a guide to legal issues, and a menu of capabilities have been completed. Further implementation action lies with other departments.</p>
<p>C) Evidence that UK interventions have helped develop <b>political will</b> and effective counter-terrorism capacities.</p>	<p> <b>Amber – Partly met</b></p> <p>Guided by a reinforced system of capability assessments, rigorous country prioritisation and work with posts to define needs, we are continuing to deliver meaningful improvements in key partner capability, including the political will of key identified partner countries.</p> <p>One example is working through the UN to ensure that the legal regimes in our key priority countries can deal with terrorism. Part of this work has involved building the necessary political will in the countries concerned so that they carry out their obligations to take action under various UNSCRs against terrorism.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>D) Evidence that UK interventions have helped develop effective international <b>mechanisms for countering terrorism</b>, including for targeting terrorist financing.</p>	<p><b>● Amber – Partly met</b></p> <p>UK-led efforts to reform the EU autonomous terrorist asset-freezing regime over the past 12 months came to fruition in June. European ministers agreed a series of procedural improvements aimed at making the system legally robust, which should encourage other EU members to make effective use of it.</p> <p>The UK continues to press for improvements to the procedures for requests for humanitarian exemptions to the UN sanctions on al-Qa'ida and to reduce the number of long-term holds on such requests by UN Security Council members, thereby enhancing the efficiency and credibility of the sanctions regime.</p>
<p>E) <b>Reduction in the vulnerability</b> to terrorism of UK citizens and interests overseas, including civil aviation and maritime vulnerabilities, through security enhancements by the host nation, international action, and practical and credible advice.</p>	<p><b>● Green – Met (ongoing)</b></p> <p>FCO Travel Advice continues to mature in raising awareness of the current threat from both domestic and international terrorism to British travellers overseas. The FCO continues to assist countries with a high threat from terrorism in developing their own capability to provide effective security to reduce their vulnerability to attack.</p>
<p>F) FCO contribution to the expansion of UK and international <b>capacity to deal with the consequences</b> of terrorist attacks overseas.</p>	<p><b>● Green – Met (ongoing)</b></p> <p>Both our crisis management doctrine and capabilities have been tested throughout the year. High-profile cases include the kidnap of Alan Johnston in Gaza and the ongoing kidnaps of six British nationals in Iraq.</p> <p>In October 2007 we participated in a major US domestic counter-terrorism exercise, which simulated multiple complex attacks in which British nationals were killed or injured. The FCO led the planning for UK participation. A number of important lessons have been identified. The FCO has also contributed to the US lessons identified workstream. On a smaller scale, a number of counter-terrorism exercises have been carried out at high-risk posts across the FCO network.</p> <p>FCO overseas posts continue to develop their emergency plans as part of a rolling programme of constant improvement.</p> <p>The UK Government is currently funding a project to increase the crisis management capacity of the Philippines. This project has yet to be evaluated but, so far, it is proving to be successful, with plans to run similar projects elsewhere in the region.</p>
<p>Other information.</p>	<p>In support of the Home Office policy of deporting foreign terrorist suspects who pose a national security threat to the UK, the FCO continues to seek and monitor the assurances necessary for their safe return to their countries of nationality.</p>

#### Data sources

**Indicator A:** Post reporting. Whitehall contacts.

**Indicator B:** CONTEST action plans.

**Indicator C:** Public court judgments and CONTEST action plans.

**Indicator D:** UN and EU documents.

**Indicator E:** Public travel advice. Post reporting.

**Indicator F:** Internal government reporting.

### SR04 PSA 3 – Conflict prevention target

By 2008, deliver improved effectiveness of UK and international support for conflict prevention by addressing long-term structural causes of conflict, managing regional and national tension and violence, and supporting post-conflict reconstruction, where the UK can make a significant contribution, in particular Africa, Asia, Balkans and the Middle East. This target is shared with the Department for International Development (DfID) and the Ministry of Defence (MoD).

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to revised **Strategic Priority 3: Preventing and resolving conflict through a strong international neighbourhood**.

This target is made up of 12 indicators, A1–A9 and B1–B2, listed below. The overall assessment is an aggregation of these progress assessments.



**Amber – Partly met**

#### Overall assessment of progress 1 April 2007 – 31 March 2008

Overall the conflict PSA was partly met, with two of the 12 sub-targets achieved, nine partly achieved and one not met.

The UK government met the sub-targets on Sierra Leone and increasing the number of effective peacekeepers. Sierra Leone now has a democratically elected, stable government; professional, accountable security services with which we continue to work to ensure sustainability; and an effective National Electoral Commission. The target on peacekeepers was met during 2006/07 and peacekeeping personnel deployed to UN-led missions have seen a further 5 per cent increase during 2007/08.

Eight of the remaining sub-targets were partly met. Iraq has made encouraging progress over the last year, with improved security; some political progress including new legislation; and improvements in its relations with neighbouring states. The Afghan National Army (ANA) led a successful operation to clear Taliban from Musa Qala, allowing the Afghan Government to begin to provide stabilisation and governance. British forces continued to train and provide specialist advice to the ANA, which is making good progress: 50,000 of a total projected strength of 80,000 are now deployed. In Sudan, progress against the Comprehensive Peace Agreement is on course for national elections by July 2009. The Democratic Republic of Congo (DRC) Government is making credible efforts to resolve conflict politically and the UK has contributed to a successful disarmament, demobilisation, repatriation, reinstallation and reinsertion programme. Recent successes in Nigeria include anti-money laundering investigations and projects to foster inter-religious understanding in the north. The countries of the Balkans remain at peace. Nepal has continued to make progress towards the restoration of democracy, with elections set to take place in April 2008.

The target on the Middle East Peace Process was not met. On 19 September 2007, Israel declared Gaza a 'hostile entity' in response to Qassam rocket attacks. However, the peace process launched in Annapolis in November continues to provide the best hope for a sustainable solution to the conflict since 2000. The Israeli and Palestinian negotiating teams are meeting despite ongoing violence, including rocket attacks from Gaza against Israel, Israeli military attacks and incursions into Gaza and West Bank cities, a suicide bombing in southern Israel and the killing of eight Israeli students in Jerusalem. The UK Government continues to work to build the capacity of a future Palestinian state, support public service provision, assist Palestinian economic development, and provide support to the Palestinian security services.

The Sudan indicator was partly met, although the indicator did not cover Darfur when it was set. If it had been, the indicator would not have been met since progress to resolve the Darfur conflict is still limited.

In the UK Government's 2008/09–2010/11 PSA, we will build on our work from 2005/06–2007/08 to reduce the impact of conflict in Afghanistan, the Balkans, DRC, Iraq, the Middle East, Nigeria, Sierra Leone and Sudan, and to build more effective international institutions, including the UN and AU.

## Target indicator

## Progress assessment 1 April 2007 – 31 March 2008

## A) Progress towards durable peace in areas of priority

1) **Afghanistan:** By end 2007/08: Accountable and democratic structures for Afghanistan's governing institutions and armed forces, representing Afghanistan's ethnic diversity and operating with respect for human rights.

● **Amber – Partly met**

Good progress was made overall in 2007/08, building on activities in the previous two years.

The UK Government focused on building effective state institutions and better governance, through funding of over £100 million. Progress in the south has been limited due to ongoing insurgency and limited Government of Afghanistan capacity.

The Afghan National Army (ANA) led a successful operation to clear Taliban from Musa Qala, allowing the Afghan Government to provide stabilisation and governance. British forces continue to train and provide specialist advice to the ANA; 50,000 of a total projected strength of 80,000 are now deployed. Efforts to address the underperformance of the Afghan National Police continue and the UK contributes to the European Union Police Mission.

UK Government-funded activities aimed at further strengthening the rule of law, including counter-narcotics, and building public confidence have focused on mentoring and training.

2) **Balkans:** By end 2007/08: Western Balkan states at peace within and between themselves and continuing on the path to closer integration with the EU and NATO.

● **Amber – Partly met**

The countries of the Balkans remain at peace, though inter-ethnic tensions persist.

Kosovo declared independence on 17 February 2008. While the overall situation is stable, there have been violent incidents in the (Serb-majority) north. Serbia's improved co-operation with the Tribunal for the Former Yugoslavia had led to the initialling of its EU Stabilisation and Association Agreement (SAA), though recent attacks against embassies in Belgrade and statements condoning violence are concerning.

Macedonia made renewed reform progress while Montenegro concluded its EU SAA.

Bosnia inched towards police reform, allowing initialling of its EU SAA, though underlying inter-ethnic tensions continue to block further movement on police reform.

The UK Government has continued to support the Western Balkans' Euro-Atlantic integration, and has been particularly active on resolving Kosovo's final status. UK Government programmes focus on government capacity and accountability, security and justice sector reform, refugee and internally displaced person returns, and assisting minority communities and inclusive economic growth.

3) **Democratic Republic of Congo (DRC):** By end 2007/08: Reduced cross-border interference, a stable government in Kinshasa overseeing accountable security services and a reduction in militia operating outside such democratic government control. (This target will focus on DRC but will necessarily take account of wider Great Lakes conflict dynamics.)

● **Amber – Partly met**

With support from the UK Government, the DRC Government is making credible efforts to resolve conflict politically. DRC and Rwanda are co-operating to dismantle the Democratic Forces for the Liberation of Rwanda militia. However, fighting has occurred in eastern DRC between the armed forces, rebel soldiers and other illegal militias, resulting in extensive civilian displacement.

The UK Government is contributing substantially to work to stabilise the Kivus, and a successful disarmament, demobilisation, repatriation, reinstallation and reinsertion programme has largely pacified the Ituri district.

The UK Government has called for action on impunity and justice for victims of abuses by the armed forces.

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>4) <b>Iraq:</b> By end 2007/08: A stable, united and law-abiding state, within its present borders, co-operating with the international community, no longer posing a threat to its neighbours or to international security, abiding by all its international obligations and providing effective, representative and inclusive government for all its people.</p>	<p><b>● Amber – Partly met</b></p> <p>Overall, security improved in Iraq in 2007/08. The US 'surge', combined with the tribal awakening and the growing capabilities and confidence of the Iraqi security forces, saw real gains. These were reflected in the transfer of security responsibility in six provinces, including Maysan and Basra. All four provinces in the south-east have now transferred. Serious challenges remain in Basra, but the authorities have shown they are able to maintain security and initiate key reforms.</p> <p>Although there were setbacks in 2007, including the withdrawal of Sunni parties from government, there has been some political progress in late 2007 and early 2008. The Council of Representatives has passed legislation on amnesty for detainees, provincial powers and de-Ba'athification. The Executive Council, a small group of senior politicians representing the key political groups, provides a forum for reaching agreement on key decisions.</p> <p>Iraq's relations with neighbouring states are improving from a low base, with regular meetings of the Neighbours Group. Both the EU and the UN have shown signs over the last year of engaging more positively with Iraq.</p>
<p>5) <b>Middle East Peace Process (MEPP):</b> By end 2007/08: Maximising the opportunity of Israeli withdrawal from Gaza and parts of the West Bank, significant progress towards a negotiated settlement resulting in the emergence of an independent, democratic and viable Palestinian state with a reformed security sector, living side by side in peace and security with Israel.</p>	<p><b>● Red – Not met</b></p> <p>Under the guidance of the USA, following the Annapolis meeting, the two sides have started bilateral talks. But challenges on the ground threaten to disrupt the political process. Israel continued military operations in Hamas-controlled Gaza and incursions into area A in the West Bank. Rocket and mortar attacks from Gaza continue and the first suicide bombing for a year took place on 4 February 2007.</p> <p>The UK has tried to ensure that the international community's approach is balanced and positive, maintaining a focus on improving the Palestinian economy and supporting the Palestinian Authority (PA). The UK continues to encourage the political process, supporting leadership by the USA.</p> <p>In June 2007 the UK Government resumed direct support to the PA, providing £31 million bilaterally to the Palestinians in 2007/08 and contributing to the Palestinian treasury through a European Union mechanism.</p> <p>Project work with Israeli and Palestinian civil society continues to focus on peace promotion through encouraging policy change. The UK Government is providing funding for: an NGO-managed project which has moved the route of the separation barrier closer to the green line; a project which aims to tackle planning problems for Palestinian villages in Israeli-controlled areas; and a project that ensures due process in the Israeli military courts system.</p> <p>The UK Government continues to encourage sustainable security sector reform through funding civil police reform and providing technical expertise to the US security co-ordinator. This includes the deployment of a British support team based in Ramallah, which can liaise directly with the PA.</p>
<p>6) <b>Nepal:</b> By end 2007/08: A stable Nepal with a durable ceasefire in place with the Maoists, democratic institutions restored with respect for human rights and significant progress towards a constitutional settlement.</p>	<p><b>● Amber – Partly met</b></p> <p>Nepal has continued to make progress towards the restoration of democracy, though elections to a Constituent Assembly have twice been postponed. Following a recent agreement between the Government and groups representing the Madhes, elections are set to take place in April 2008.</p> <p>Working with the Government, political parties, the UN and international partners, the UK has helped to co-ordinate efforts to move the peace process forward towards a lasting peace, including through a significant development assistance programme. Through the UN, we were able to secure an extension to the UN Mission in Nepal's (UNMIN) mandate to July 2008.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>7) <b>Nigeria:</b> By end 2007/08: Local and central government effectively managing and resolving conflict and a reduction in the number of people affected by conflict.</p>	<p><b>● Amber – Partly met</b></p> <p>Politically motivated crime levels have not increased, though political tensions continue over the outcome of the April 2007 presidential election.</p> <p>Anti-corruption and the Delta remain UK Government priorities in Nigeria. Recent successes include anti-money laundering investigations and engagement with communities in the Delta on governance and stakeholder participation. Also successful have been projects to foster inter-religious understanding in the north.</p> <p>However, the Delta continues to be unstable with bouts of urban violence in Port Harcourt, though the Joint Task Force recently intervened to stop an outbreak of gang violence. Inter-communal fighting between Christian and Muslim communities in the north is becoming more regular.</p>
<p>8) <b>Sierra Leone:</b> By end 2007/08: Ongoing stable and democratic government overseeing accountable security services and a reduction in regional militia.</p>	<p><b>● Green – Met</b></p> <p>Sierra Leone has a democratically elected, stable government following elections in August and September 2007. The elections were judged free and fair, although 7 per cent of polling stations were disqualified due to greater than 100 per cent voter turnout. The security services performed well and the elections were largely peaceful despite some evidence of the use of former combatants to intimidate opposing parties.</p> <p>The UK government's intense political lobbying and substantial assistance helped to ensure the professionalism and accountability of the security services and the effective performance of the National Electoral Commission. It also made effective voter education and a nation-wide local electoral observer network possible. The UK Government continues to provide a large amount of technical assistance to help increase the sustainability of the security sector.</p>
<p>9) <b>Sudan:</b> By end 2007/08: A fully implemented comprehensive peace agreement between the Government of Sudan and the Sudan People's Liberation Movement (SPLM), progress towards a stable and democratic government, a reduction in militia operating outside democratic control, and a reduction in the number of deaths through violent conflict.</p>	<p><b>● Amber – Partly met</b></p> <p>Implementation of the Comprehensive Peace Agreement (CPA) is on course for national elections by July 2009. Most regular army units have redeployed in line with CPA; some irregular groups have not. Progress on joint integrated units of northern and southern Sudanese forces remains slow but the UK is leading work to improve their operational effectiveness.</p> <p>The National Congress Party and the SPLM have not agreed an administration in the disputed area of Abyei, nor demarcation of the north-south border.</p> <p>Commissions in the north and south have adopted a national strategy for disarmament, demobilisation and reintegration, but they have not agreed how to co-operate in the transitional areas or when to start demobilisation.</p> <p>A draft white paper sets out a framework for transformation of the Sudanese People's Liberation Army. Community security is limited in the south and more effort is needed on reconciliation processes.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
	<p><b>Darfur</b></p> <p> <b>Red – Not met</b></p> <p>When the PSA indicator was agreed, it did not cover Darfur, but we have recorded a separate assessment.</p> <p>Progress to resolve the conflict is still limited: a UN–AU peacekeeping force (United Nations–African Union Mission in Darfur – UNAMID) has been agreed but will not deploy fully until the end of 2008.</p> <p>The UK led efforts to establish the Darfur Community Peace and Stability Fund, designed to promote peace at a local level. The increase in needs in Darfur has been compounded by a breakdown of law and order and pervasive banditry, which have forced many humanitarian agencies to scale back operations. Malnutrition is worsening in internally displaced persons' camps. Fighting between regular forces and irregular militia has flared up in West Darfur in the first quarter of 2008 and across the border in Chad since the end of November 2007.</p> <p>The political process is still stalled because of divisions between groups in Darfur.</p>
<b>B) Increased capacity and effectiveness of peacekeeping, conflict prevention and peace support work in:</b>	
<p><b>1) The United Nations</b></p> <p>a) By end 2007/08: All potential <b>UN peacekeeping</b> missions should follow the principles of integrated and comprehensive planning set out in the <i>Brahimi Report</i> of 2000, incorporating these from the onset of the planning process and carrying them forward into mission deployment with appropriate training of personnel and systematic processes for learning lessons and applying best practice.</p>	<p> <b>Amber – Partly met</b></p> <p>The UK Government has worked to maintain momentum on implementation of the Integrated Mission Planning Process (IMPP) through lobbying in New York, the Special Committee on Peacekeeping Operations (C34) and by providing financial support to the Department of Peacekeeping Operations (DPKO).</p> <p>The application of IMPP has not been systematic. DPKO used IMPP to guide efforts during the initial planning phase for UNAMID, and set up an integrated operating team to ensure IMPP principles were applied. However, the mission did not fully apply IMPP, citing a lack of user-friendly manuals as a key obstacle. UK Government officials continue to use the C34 to push for proper use of IMPP.</p>
<p>b) By end 2007/08: A 5 per cent increase in the number of effective <b>peacekeepers</b> in regional and international peace support operations under a UN mandate, with adjustments where necessary for changes in the demand for peacekeepers.</p>	<p> <b>Green – Met</b></p> <p>This indicator was assessed in the <i>FCO Departmental Report 2007</i> as 'Green – Met early'.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p><b>2) African peacekeeping</b></p> <p>By end 2007/08: Increased capacity in the AU and sub-regional security organisations to manage peacekeeping missions.</p>	<p><b>● Amber – Partly met</b></p> <p>UK support has been instrumental in assisting the African Standby Force (ASF) to develop. Training, logistics and rapid deployment are moving forward. However, progress on the ASF remains limited by weak capacity at the AU and in African regions.</p> <p>Progress on five regional brigades remains uneven. There is new momentum in the Eastern Africa Standby Brigade, with the UK as lead partner, and the Southern African Development Community launched its brigade in August 2007. Much UK effort focuses on the Economic Community of West African States, which remains the most advanced region.</p> <p>The UK Government continues to make a major contribution to increasing the number of trained African peacekeeping personnel (over 11,000 trained since 2004), including through UK training teams in Africa.</p>

#### Data sources

**Indicator A1:** A variety of sources, all cross-referenced. UK reporting takes precedence, but we also draw on reporting from the Embassy, DfID and MoD; other international partners including NATO and close allies; the media; and academic, NGO and think-tank representatives.

**Indicator A2:** FCO, DfID and MoD reporting from experts in London and at posts across the region. Consultation with the other tri-departmental CPP partners and with bilateral and multilateral international partners.

**Indicator A3:** Reporting from UK Government officials and other bodies, including the UN.

**Indicator A4:** Experts in London and at post in Iraq plus consultation with other government department partners.

**Indicator A5:** Information on developments in the region comes from reporting from posts, the media and contacts with international partners.

**Indicator A6:** Reporting from the Embassy and DfID, in addition to regular reporting from the Security Sector Development Advisory Team, which has been helping on reform of the NMOD, and the Stabilisation Unit (formerly PCRU), which is engaged on rule of law issues. Furthermore, regular contact with UN agencies, including the Office of the High Commission for Human Rights (OHCHR), UNMIN, the UN Development Programme (UNDP), NGOs and media reporting, dialogue with the Nepal Human Rights Commission, other human rights groups and national bodies. Follow-up calls with these agencies in the UK whenever possible. Close liaison with the International Crisis Group.

**Indicator A7:** FCO, DfID and MoD reporting from experts in London and at posts in Nigeria. Consultation with the other tri-departmental Africa Conflict Prevention Pool (ACPP) partners and with bilateral and multilateral international partners.

**Indicator A8:** *EU Election Observation Mission Final Report of Presidential/Parliamentary elections; Fifth report of the Secretary-General on the UN Integrated Office in Sierra Leone; UKCT Freetown.*

**Indicator A9:** FCO, DfID and MoD reporting from experts in London and at posts in Sudan. Consultation with the other tri-departmental ACPP partners and with bilateral and multilateral international partners.

**Indicator B1(a):** UN's own statistical information from its website and the Department of Peacekeeping Operations (DPKO) Peacekeeping Best Practices Section reporting.

**Indicator B1(b):** UN's own statistical information from its website and the DPKO Peacekeeping Best Practices Section reporting.

**Indicator B2:** AU reporting and internal UK Government reporting.

**SR04 PSA 4 – European Union target**

A reformed and effective (post-enlargement) EU, as measured by progress towards achieving UK policy priorities, including a robust and effective Common Foreign and Security Policy (CFSP) which complements the North Atlantic Treaty Organisation (NATO).

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to revised **Strategic Priority 4: Building an effective and globally competitive EU in a secure neighbourhood.**

This target is made up of 15 indicators, A–O, listed below. The overall assessment is an aggregation of these progress assessments.

 <p><b>Amber – Partly met</b></p>	<p><b>Overall summary of progress 1 April 2007 – 31 March 2008</b></p> <p>There have been important successes: the UK's EU presidency, continuing progress on Turkey's accession negotiations, a trilateral agreement on Gibraltar, and improvements to the EU's crisis management capabilities. However, there is a lot that needs ongoing work, including on budget issues and competitiveness, justice and home affairs issues, and relations with Russia.</p>
<p><b>Target indicator</b></p>	<p><b>Progress assessment 1 April 2007 – 31 March 2008</b></p>
<p>A) Well-prepared priority <b>dossiers for the UK presidency</b> as a result of effective co-ordination with the Irish, Dutch and Luxembourg presidencies.</p>	<p> <b>Green – Met</b></p> <p>This indicator was assessed in the <i>FCO Departmental Report 2006</i> as 'Green – Met early'.</p>
<p>B) Robust and cost-effective <b>arrangements for a successfully run UK presidency</b> in place well ahead of 1 July 2005.</p>	<p> <b>Green – Met</b></p> <p>This indicator was assessed in the <i>FCO Departmental Report 2006</i> as 'Green – Met early'.</p>
<p>C) Strong UK input to the development of the <b>EU's crisis management capacity</b>, both military and civilian and the civil–military interface, leading to a more operational, capable European Security and Defence Policy (ESDP) working in closer co-operation with the UN, NATO and the Organisation for Security and Co-operation in Europe (OSCE).</p>	<p> <b>Amber – Partly met</b></p> <p>New arrangements have been implemented to strengthen the planning and management of police and civilian crisis management, and to facilitate civil–military co-ordination. The police reform mission launched in Afghanistan has seen UK personnel selected for key positions. The EU police mission in the West Bank has been re-engaged. The EU has agreed to launch a mission in Kosovo, which will be the largest civilian ESDP mission to date and will play a key role in strengthening the rule of law.</p>
<p>D) An enhanced <b>EU role in tackling terrorism</b>, WMD, crime, drugs and corruption (including action with third countries, particularly neighbouring countries/regions), as a result of UK lobbying.</p>	<p> <b>Amber – Partly met</b></p> <p>The EU Counter-Terrorism (CT) Strategy is firmly in line with UK CT priorities, though the EU could do more to engage key third countries. There is improved EU participation in, and evaluation of, counter-proliferation projects (including those promoting export control) and the UK continues to drive EU engagement on drugs and crime with priority countries.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>E) Evidence of an enhanced EU role in achieving foreign policy objectives, and a more <b>capable, coherent and robust Common Foreign and Security Policy (CFSP)</b> through implementation of the European Security Strategy, as a result of UK leadership.</p>	<p>● <b>Amber – Partly met</b></p> <p>The Lisbon Treaty meets the UK red line on control of foreign policy, while providing structural changes to improve EU coherence and impact – priorities highlighted in the European Security Strategy. A robust CFSP will enable the EU to play a leading role in strengthening stability in the Western Balkans. Strong EU engagement in Afghanistan and Iraq helps us to achieve UK foreign policy objectives.</p>
<p>F) Movement towards a long-term <b>resolution of the Gibraltar dispute</b> that is acceptable to all parties. Fuller enjoyment by the territory of its rights, and greater respect for its obligations under EU and international law, in co-operation with the Government of Gibraltar.</p>	<p>● <b>Green – Met (ongoing)</b></p> <p>The implementation of the wide-ranging trilateral arrangements (including pensions and airport) is on track. The implementation of the new constitution is proceeding smoothly. The level of infractions remains low.</p>
<p>G) Use the December 2004 European Council decision to open <b>accession negotiations with Turkey</b> further to tie that country to measurable improvements in economic performance, human rights, and Justice and Home Affairs (JHA) issues (drugs, asylum) or minimise the damage in these and other areas from a negative decision.</p>	<p>● <b>Amber – Partly met</b></p> <p>There is continuing effort across the board to keep the process moving forward; good technical progress on the <i>acquis</i> chapters; and continued political support for the consensus reached at the December 2006 European Council and the December 2007 General Affairs and External Relations Council, which confirmed that the process continues on the same principles. The Turkish Government continues to use the accession process to help push forward internal reforms.</p>
<p>H) Better <b>integration of new EU members</b> into European security, economic, social and JHA system(s) as a result of UK interventions.</p>	<p>● <b>Amber – Partly met</b></p> <p>New member states, including Romania and Bulgaria, are now well integrated into EU structures, and increasingly active in Brussels. The A8 countries are now part of Schengen, with others making steady progress. However, corruption and organised crime (Bulgaria only) continue to be major concerns. Both continue to be subject to a European Commission JHA co-operation and verification mechanism.</p>
<p>I) Stronger <b>EU relationship with Russia</b> as a result of UK interventions, which leads to more joint activity to improve security in third countries and regions, in particular those areas contiguous to the enlarged EU.</p>	<p>● <b>Amber – Partly met</b></p> <p>Russia and the E3 (with the US and China) have co-operated intensively on Iran issues. Their co-operation led the UN Security Council to pass UNSCR 1803 on 3 March.</p> <p>Negotiation of the new EU–Russia agreement remains blocked. The EU has continued to engage with Russia through a summit meeting under the Portuguese presidency and various meetings in other formats, including the first ever ministerial meeting on culture. However, the EU has also been firm with Russia where necessary. It has issued two statements condemning Russia's treatment of the British Council and has also issued statements on the conduct of the parliamentary and presidential elections. Work continues with partners on the need for a robust successor to the Partnership and Cooperation Agreement between the EU and Russia.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>J) <b>Ratification</b> and successful entry into force of new constitution; smooth introduction of new provisions (e.g. President of European Council); more efficient functioning of EU as a result.</p>	<p>○ <b>White – Not assessed</b></p> <p>Indicator became irrelevant when the Government decided not to proceed with UK ratification of the Constitutional Treaty following the French and Dutch 'no' votes in 2005.</p>
<p>K) <b>Agreement on EU financing arrangements</b> for 2006/07–2012/13, which keep spending at 1 per cent of EU gross national income, reform regional policy and protect the UK's net financial position.</p>	<p>● <b>Amber – Partly met</b></p> <p>In May 2006 inter-institutional agreement confirmed the key elements of the EU's 2007/08–2012/13 financing arrangements. The Commission Communication <i>Reforming the Budget, Changing Europe</i> reflects significant UK engagement and places the review in the context of EU added value, and the need for EU spending to adapt to the challenges the EU faces in the 21st century.</p>
<p>L) Ongoing reform of <b>the Common Agricultural Policy (CAP)</b>.</p>	<p>● <b>Amber – Partly met</b></p> <p>CAP reform continues, and in 2007 we saw the successful reform of the fruit and vegetables and wine regimes. In November 2007 the EU Commission CAP Health Check was launched. During 2008 the UK is aiming for ambitious outcomes in support of further reform, such as further de-coupling of direct farm payments and more funding for rural development and environmental schemes. We will resist any new trade distorting measures.</p>
<p>M) <b>JHA arrangements</b> in which the UK participates when it wants to, and which are compatible with and enhance the UK's own approach to asylum and immigration issues, for example.</p>	<p>● <b>Green – Met (ongoing)</b></p> <p>The UK secured a Lisbon Treaty that enables the UK to continue to choose which JHA measures to participate in – protecting the UK common law system and enhancing UK international objectives. The wider EU JHA agenda remains in line with UK domestic priorities. Good progress has been made on Europol (financial arrangements), trials in absentia and Rome I (choice of law in contracts), while new measures (data sharing, counter-terrorism) are in line with UK crime and terrorism objectives.</p>
<p>N) A <b>Lisbon process</b> which visibly generates political momentum behind economic reform, and which produces better European economic performance.</p>	<p>● <b>Green – Met (ongoing)</b></p> <p>The joint Cabinet Office–Foreign Office pamphlet <i>Global Europe</i>, published in October 2007, has put the economic reform agenda at the centre of the EU's response to globalisation. The forward agenda is being shaped by the UK with an emphasis on:</p> <ul style="list-style-type: none"> <li>● further network liberalisation (following successful outcomes on mobile phone roaming and commitments to unbundling the energy markets)</li> <li>● better regulation (including a UK-friendly single market review) and</li> <li>● further progress on climate change ambitions, innovation and skills.</li> </ul>
<p>O) Greater <b>domestic awareness</b> of EU issues and a more mature debate about them.</p>	<p>● <b>Amber – Partly met</b></p> <p>The debate around the Lisbon Treaty raised awareness of EU issues.</p> <p>Much of this debate focused on the referendum question. However, there has been some success in explaining how the Lisbon Treaty will help tackle the EU's delivery deficit, not least by bringing discussions over institutional issues to an end for the foreseeable future.</p>
<p>Other (platform to highlight FCO activity not covered above).</p>	<p>The Constitutional Treaty was abandoned, and replaced by the Lisbon Treaty. The UK successfully negotiated an amending treaty, which included the four 'red lines' of fundamental importance to our national sovereignty.</p>

#### Data sources

**All indicators:** European Council and Sectoral Council conclusions; European Parliament resolutions; Commission Communications; FCO internal reporting; [http://europa.eu/index\\_en.htm](http://europa.eu/index_en.htm)

## SR04 PSA 5 – NATO/ESDP target

Play a leading role in the development of the European security agenda, and enhance capabilities to undertake timely and effective security operations, by successfully encouraging a more efficient and effective NATO, a more coherent and effective European Security and Defence Policy (ESDP) operating in strategic partnership with NATO, and enhanced European defence capabilities. This target is shared with the Ministry of Defence (MoD).

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to revised **Strategic Priority 3: Preventing and resolving conflict through a strong international neighbourhood** and revised **Strategic Priority 4: Building an effective and globally competitive EU in a secure neighbourhood** (indicator C).

This target is made up of three indicators, A–C, listed below. The overall assessment is an aggregation of these progress assessments.

 <p><b>Amber – Partly met</b></p>	<p><b>Overall assessment of progress 1 April 2007 – 31 March 2008</b></p> <p>The UK continues to be a major driving force behind the further development of European crisis management capabilities, focused on effectiveness, complementarity, added value and burden sharing. Working in close partnership with our EU and NATO partners, including the NATO Secretary General and the EU High Representative for CFSP, the UK has promoted capability development as well as continued necessary reform of structures and procedures.</p>
<p><b>Target indicator</b></p>	<p><b>Progress assessment 1 April 2007 – 31 March 2008</b></p>
<p>A) A more <b>efficient and effective</b> NATO.</p>	<p> <b>Amber – Partly met</b></p> <p>The UK remains at the forefront of efforts to streamline and make more efficient NATO's military and civilian structures, so that they are better able to support complex expeditionary operations. Working with the NATO Secretary General and allies, the UK has ensured work has been taken forward on these issues ahead of the NATO summit in Bucharest in April 2008.</p> <p>The UK is one of the key shapers of policy-making on the two key current NATO operations, in Afghanistan and Kosovo, and the way in which these operations are being executed is influencing the ongoing development of NATO procedures and longer-term planning.</p> <p>The UK has led efforts to ensure that a new NATO headquarters building should contribute to more modern working methods and thus greater efficiency and effectiveness. The UK remains the key champion of the comprehensive approach at NATO, aiming to maximise the combined civil and military effect of NATO and other international actors in Afghanistan and Kosovo.</p>
<p>B) A more <b>coherent and effective</b> European Security and Defence Policy (ESDP).</p>	<p> <b>Amber – Partly met</b></p> <p>The EU currently has 12 civilian and military operations under way worldwide, with several others already concluded, helping to deliver stability and adding distinct value. The UK has continued to lead efforts to develop effective EU civil and military capabilities, playing a key role in driving reform of operational structures such as the establishment of the civilian planning and conduct capacity, and improvements to EU military staff strategic planning procedures. UK planners and personnel have played a key role in planning and launching a key civilian ESDP mission in this period, the policing mission in Afghanistan. The UK also supported French proposals to launch a new ESDP military mission under UN mandate in Chad and the Central African Republic. These and other existing ESDP missions contribute positively to overall international peace and stability efforts, complementing the efforts of others such as the UN and NATO, and thus providing significant added value.</p> <p>The EU and NATO continue to seek to deepen their strategic partnership. Political will in the UK and among other partners to advance this agenda remains strong, in particular in view of the shared challenges in theatres such as Afghanistan and Kosovo. Practical co-operation at staff level and on the ground in operational theatres continues to strengthen.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
C) <b>Enhanced</b> European defence capabilities.	<p> <b>Amber – Partly met</b></p> <p>The UK has continued to push European partners in both NATO and the EU to improve the capability, interoperability and deployability of their armed forces, in particular through the NATO Defence Planning Questionnaire and EU Headline Goal processes, and also in the context of specific operations, notably the International Security Assistance Force mission in Afghanistan.</p> <p>The UK is also playing a leading role in the joint EU–NATO Capabilities Working Group, which has focused members of both organisations on the need to improve EU–NATO co-ordination and avoid unnecessary duplication on initiatives such as strategic and tactical airlift. The UK continues to support the NATO Response Force and Battlegroups in the EU, both as capability providers and drivers of change. The UK continues to support the work of the European Defence Agency and NATO capability-related agencies, and is keen to see the maximum synergy between their activities.</p>

**Data sources**

**Indicator A:** UK national reporting, NATO documents.

**Indicator B:** UK national reporting, EU and NATO documents.

**Indicator C:** UK national reporting, EU and NATO documents.

**SR04 PSA 6 – Trade and investment target**

By 2008, deliver a measurable improvement in the business performance of UK Trade & Investment’s (UKTI) international trade customers, with an emphasis on new to export firms; and maintain the UK as the prime location in the EU for foreign direct investment. This target is shared with the Department of Trade and Industry (DTI).

Following the publication of *Active Diplomacy for a Changing World: the UK’s International Priorities*, this PSA target now links to revised **Strategic Priority 5: Supporting the UK economy and business through an open and expanding global economy, science and innovation and secure energy supplies**.

This target is made up of five indicators, A–E, listed below. The overall assessment is an aggregation of these progress assessments.

 <b>Amber – Partly met</b>	<p><b>Overall assessment of progress 1 April 2007 – 31 December 2008</b></p> <p>UKTI is on course to achieve its PSA SR04 target (with the exception of indicator A – see below). A final assessment against this PSA will appear in the <i>FCO Autumn Performance Report 2008</i> (final data will be available by Q3 2008/09).</p>
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Target indicator	Progress assessment 1 April 2007 – 31 March 2008
A) At least a 30 per cent increase by 2007/08 in the proportion of UKTI trade development resources focused on new to export firms.	<p> <b>Amber – Partly met</b></p> <p>Provisional outturn figures for 2007/08 show a 13 per cent increase in trade development resources focused on new to export firms over the SR04 period (final figure to be confirmed in the <i>FCO Autumn Performance Report</i>).</p> <p>The shift in resources to new to export firms was on course to be delivered in July 2006, according to internal management accounting data. In July 2006 a new five-year strategy was published, to deliver the key elements of the March 2006 Budget announcement of an enhanced role for UKTI. The strategy charted a new direction for UKTI and required significant organisational change and redistribution of resources to deliver new priorities. The strategy confirmed that new to export firms would continue to be an important client group for UKTI.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
B) At least 40 per cent of new to export firms assisted by UKTI improve their business performance within two years.	<p> <b>Green – Met</b></p> <p>PIMS result to Q4 2007/08 is 57 per cent.</p>
C) At least 50 per cent of established exporters assisted by UKTI improve their business performance within two years.	<p> <b>Green – Met</b></p> <p>PIMS result to Q4 2007/08 is 56 per cent.</p>
D) Improve the UK's ranking within Europe in terms of the gross domestic product (GDP) adjusted stock of EU foreign direct investment, based on the UN Conference on Trade and Development (UNCTAD) <i>World Investment Report</i> .	<p> <b>Amber – Partly met</b></p> <p>Based on the UNCTAD <i>2007 World Investment Report</i>, the UK's provisional ranking was 11th in 2006. This may be subject to further revision. This was the same as the revised provisional ranking for 2005 (UNCTAD's 2006 Report had placed the UK at 10th; this was revised for the 2007 Report). The UK's revised final ranking for 2004 remains 15th.</p>
E) The number of successful inward investment projects secured by UKTI in each year of the Spending Review, of which 75 per cent are knowledge driven. The target is 374 projects (in 2005/06), 440 projects (in 2006/07) and 524 projects (in 2007/08).	<p> <b>Amber – Partly met</b></p> <p>There were 438 successes delivered in 2005/06 and 496 successes in 2006/07; of these, 73 per cent and 75 per cent respectively were knowledge driven.</p> <p>At the end of Q3 2007/08, 327 successes had been reported, of which an estimated 76 per cent were knowledge driven. These figures and percentages are provisional and remain to be verified.</p>

#### Data sources

**Indicator A:** The shift in trade development resources dedicated to new to export firms is tracked by monitoring the resources budgets that support UKTI's trade development work.

**Indicator B:** Data obtained through UKTI's Performance and Impacts Monitoring Survey (PIMS). The position at Q4 2007/08 is an average for performance from Q1 2007/08 to Q4 2007/08.

**Indicator C:** Data obtained through UKTI's PIMS. The position at Q4 2007/08 is an average for performance from Q1 2007/08 to Q4 2007/08.

**Indicator D:** UNCTAD, *World Investment Report*, October 2007.

**Indicator E:** Data based on UKTI's electronic project tracking system, audited by BERR's internal audit team and the National Audit Office.

**SR04 PSA 7 – Islam target**

To increase understanding of, and engagement with, Islamic countries and communities and to work with them to promote peaceful political, economic and social reform.

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to new **Strategic Priority 7: Promoting sustainable development and poverty reduction underpinned by human rights, democracy, good governance and protection of the environment.**

This target is made up of eight indicators, A–B7, listed below. The overall assessment is an aggregation of these progress assessments.

 <p><b>Amber – Partly met</b></p>	<p><b>Overall assessment of progress 1 April 2007 – 31 March 2008</b></p> <p>The UK has maintained its dialogue and engagement with Islamic countries and has worked hard to promote reform in those countries through political dialogue and project work. The UK has played an important role in promoting debate and reform within the Muslim world and through multilateral initiatives such as the EuroMed Partnership and the G8 Broader Middle East and North Africa (BMENA) initiative, although progress in practice remains patchy. This is particularly the case in relation to economic and trade barriers, where externalities continue to impede the ability of the UK to make a large impact.</p> <p>From December 2007 the FCO's Engaging with the Islamic World Group (EIWG) merged with its Counter-Terrorism Policy Department (CTPD) to form the Counter-Terrorism Department. At this time, the focus of FCO prevent (counter-extremist) work was refreshed based on a new government prevent strategy. Consequently, reform projects without a clear counter-terrorism impact were no longer considered for Global Opportunities Fund (GOF) Counter-Terrorism and Radicalisation Programme funding.</p>
<p><b>Target indicator</b></p> <p>A) Evidence that <b>reform in Islamic countries</b> is high on the international agenda and that the right themes are being supported and driven forward by multilateral institutions, e.g. the G8*, UN, EU and NATO.</p>	<p><b>Progress assessment 1 April 2007 – 31 March 2008</b></p> <p> <b>Amber – Partly met</b></p> <p>The FCO continues to work with the <b>Forum for the Future, G8</b> and regional governments to bring together civil society and regional political leaders in supporting reform (rule of law, empowerment of women and transparency) in the <b>Middle East</b>. The G8 BMENA has created a unique forum to promote dialogue between civil society and regional governments. At the 2005 Forum for the Future, foreign ministers agreed to launch the Foundation for the Future to promote regional civil society capacity building. Since its launch, \$3.3 million worth of projects have been approved.</p> <p>Transparency International (part funded by the FCO's GOF – Engaging with the Islamic World) promotes the UN Convention against Corruption (UNCAC) in the <b>MENA region</b>. The project has helped accelerate ongoing work on anti-corruption in the region. This has led to the <b>Jordanian</b> Government establishing an anti-corruption commission. Jordan also volunteered to undertake a pilot review of its laws in advance of the UNCAC conference of state parties in January 2008.</p> <p>The European Commission launched a €350 million governance facility to reward implementation of political reforms; this is a deliverable from the 2005 Barcelona Summit, co-chaired by the UK. In 2007 the European Commission approved €28 million for <b>Morocco</b> as part of the governance facility.</p>

## Target indicator

## Progress assessment 1 April 2007 – 31 March 2008

## B) Evidence, verified by subsequent UNDP reports and visible progress against the Millennium Development Goals, of:

1) Greater **political pluralism** in Islamic countries as a result of the UK contribution.

● **Amber – Partly met**

In **Pakistan**, a project to develop and strengthen an apolitical network of women councillors provided 40,000 female councillors from across the political spectrum with a base to promote liberal and democratic values. The impact of this project was clearly indicated when several dozen of the women organised a protest against extremism in Islamabad a few weeks after the end of the training. They were protesting specifically at the role of the Lal Masjid Mosque in Islamabad in promoting extremist messaging and ideas to vulnerable groups, including children.

In **Egypt**, FCO funding helped sensitise MPs to the needs and interests of marginalised groups, especially youth, and to provide training to marginalised Egyptian youth on how to lobby parliamentarians.

The FCO funded a community radio programme serving southern **Jordan**. It succeeded in creating stronger community relations and promoting greater awareness of international thought and freedom of expression, as demonstrated by increased interaction by callers on these issues.

In **Pakistan** (Punjab and Quetta), training for young people in democracy and advocacy helped to promote community cohesion and understanding of the principles of democracy in the communities covered.

FCO work with the **Charities Commission** has assisted several countries to improve their capacity to regulate NGOs in a way that provides a more enabling environment for NGO development. This has helped charities to deliver their services more effectively, while reducing the risk that funds will be diverted to help fund terrorism.

2) Successful **legal and penal reform** at national level, leading to a more independent and impartial judiciary operating in accordance with UN principles.

● **Amber – Partly met**

FCO-sponsored 'Rule of Law' projects in **Morocco** have led to reform of the penal system through introduction of a new code of conduct for the prisons system.

In **Libya**, similar 'Rule of Law' projects helped secure the transfer of control for responsibility for prisons from the interior ministry to the justice ministry.

Large numbers of **Iranian** officials have been trained using FCO funding to understand best practice in juvenile justice and other aspects of human rights good practice. This has increased awareness of children's rights and lowered the potential for juvenile and other radicalisation through ill treatment.

The FCO-funded regional conference on countering radicalisation in prisons resulted in the expansion of the prison management project into **Algeria**.

The FCO supported the establishment of independent and credible public prosecutors' offices in **Yemen, Jordan, Egypt, Morocco** and **Lebanon**.

In **Thailand**, the FCO funded a project to train police in south Thailand on community policing, helping to create police citizen advisory committees which are improving interaction between the police and local communities.

In **Turkey**, FCO projects have resulted in the implementation of a new penal code in line with international human rights standards. FCO funds have also helped to improve the capacity of judicial prosecutors, providing them with policing power for effective monitoring of law enforcement agencies in line with human rights standards.

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
	<p>In <b>Turkey</b>, the FCO is helping to improve the understanding and implementation of human rights. A Global Opportunities Fund – Reuniting Europe (GOFRE) programme trained 1,230 deputy governors and district governors in effective administration of law enforcement agencies in line with human rights standards, and recently passed legislation for EU harmonisation.</p> <p>The GOFRE-funded projects also provided training to 1,500 judges and prosecutors of the Ministry of Justice, 450 military judges and prosecutors of the Ministry of Defence and Turkish General Staff, and 1,200 judicial prosecutors.</p> <p>The FCO funded training to strengthen alternative dispute resolution systems in <b>Morocco</b>. The NGO implementing the project, Search For Common Ground Morocco, organised several round tables and training workshops on mediation across Morocco, involving participants from civil society, judges, trade unions and lawyers. Two groups of Moroccan delegates visited London and Paris to learn about British and French experiences of mediation. This led to a bill on mediation being promulgated in July 2007.</p>
<p>3) Evidence of increased <b>governmental accountability</b>, including the establishment of a free media and strengthened civil society organisations.</p>	<p>● <b>Amber – Partly met</b></p> <p>There has been increasing take-up of the FCO-funded counter-radicalisation radio broadcasts. Research shows that audience awareness of our flagship <i>Asia Calling</i> (a news programme for young Muslims by young Muslims running out of <b>Indonesia</b> and covering <b>south east Asia</b>) has also increased.</p> <p>Audience monitoring of <i>Afghan Woman's Hour</i> has shown that it reaches a broad cross-section of the <b>Afghan</b> population. Those who listen report a strong effect from their listenership. For example, 95 per cent said the programme helped them to understand more about how government works, and 92 per cent said it made them realise how important it is to vote.</p> <p>The FCO part funds the Common Ground News Service, which provides a free resource of articles espousing different, moderate views and thinking, and supports a free media in <b>Bangladesh, Pakistan</b> and <b>Indonesia</b>.</p> <p>FCO support for BBC World Service Trust projects has resulted in the reformation of editorial guidelines and capacity building with the <b>Egyptian</b> Television and Radio Union. Training for journalists in <b>Pakistan</b> to improve the impartiality of election coverage helped journalists to become more aware of freedom of information standards, resulting in more balanced coverage.</p>
<p>4) A <b>strengthened civil society</b> as a consequence of the development of indigenous NGOs, an enhanced legislative process, and strengthened public administration and civil service.</p>	<p>● <b>Amber – Partly met</b></p> <p>The FCO supported the establishment of the G8 BMENA Foundation for the Future, which aims to establish an effective programme of civil society projects across the broader Middle East.</p> <p>In <b>Bangladesh</b>, the FCO sponsored the second phase of an Access to Justice and Good Governance project. This managed to increase the capacity of marginalised people, imams and madrassah teachers in mediation and promoting education.</p> <p>In <b>Turkey</b>, the GOFRE programme is running a project to enhance NGO–state dialogue, and the British Embassy manages the EU-funded Jean Monnet Scholarships supporting NGO–state dialogue. The project has strengthened the capacity of the newly established Associations Department at the Ministry of Interior, providing training to its 350 new staff at the provincial level as well as central-level senior administrators. A web platform on NGO–state dialogue has been created.</p> <p>In <b>Pakistan</b>, 20,000 teachers and religious scholars were trained in principles of human rights and citizenship and their compatibility with Islam.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>5) An increase in the <b>representation of women</b> in national and local government as well as in civil society and international organisations.</p>	<p>● <b>Amber – Partly met</b></p> <p>The Young Women's Leadership Programme (YWLP) in <b>Yemen</b> is gaining prominence as participants enter the workforce via internships. Yemeni women have successfully obtained internships within national and international NGOs, magazines, radio stations and newspapers. Through its activities, the YWLP is changing the capacity and roles of individual women and the face of Yemen's public sector.</p> <p>In <b>Pakistan</b>, the FCO provided training for young women to promote liberal democratic values through repeal of the <i>hudoon</i> ordinances and assertiveness training for female local councillors to increase their effectiveness.</p> <p>The FCO and the Swedish Government co-funded a UN Development Fund for Women project in the <b>Middle East</b>, building the capacity of women parliamentarians.</p> <p>The FCO funded a week-long course in leadership skills for young women interested in running in <b>Qatar's</b> first ever parliamentary elections. A number of the women involved have told us that following the course they are now more inclined to run for election, whenever that may be. As a result of the positive feedback, a second course is planned.</p> <p>In <b>Kuwait</b>, the FCO has helped to fund a 'Youth Enterprise' initiative in schools. This project included the setting up of a local NGO whose staff are encouraging local businesses to mentor young people and get them interested in the private sector. Over 40 volunteers per year have passed through its programme to date.</p> <p>The FCO funded a community radio programme serving southern <b>Jordan</b>. It succeeded in creating stronger community relations and promoting greater awareness of international thought and freedom of expression. When Radio Maan was launched, the community was reticent in allowing females to contribute, but the project has succeeded in changing existing perceptions and norms, and now there are over 16 female presenters who form the Female Development Network. Maan Radio has strengthened attitudes by allowing and reminding the youths' perceptions of how they can contribute to the community for the good of the community.</p> <p>The FCO is funding a programme promoting women's leadership in <b>Yemen</b> through the provision of training for key female figures in local communities. As the programme progresses, it is hoped that a significant proportion of these women will go on to have real influence in their communities and nationally.</p>
<p>6) The <b>removal of barriers to international investment</b> in the Middle East. This should enable the promotion of economic prosperity through UK-backed reform of key institutions and the bureaucracy, leading to more and deeper business relations with the UK.</p>	<p>● <b>Amber – Partly met</b></p> <p>The UK is investing heavily in <b>Qatar</b> – by 2010 Qatar will be the second most significant single foreign gas supplier to the UK.</p> <p>The UK is the largest foreign investor in <b>Egypt</b>, where overseas investment has increased almost tenfold in five years.</p> <p>The FCO is providing entrepreneurship training in <b>Saudi Arabia</b> and <b>Lebanon</b> and regional centres for entrepreneurship in <b>Morocco</b> and <b>Bahrain</b>. The Bahrain centre has conducted seven courses in five countries, training about 150 young entrepreneurs. The centre also ran a training course for about 25 Saudi businesswomen in Jeddah.</p> <p>The FCO has part funded the OECD–MENA Investment Initiative, which supports sustainable economic development in <b>MENA</b> countries.</p> <p>The FCO is funding a programme to improve governance and economic prospects in Palestinian refugee camps in <b>Lebanon</b>.</p> <p>Through the Middle East Association and the private sector, the FCO is providing career development opportunities to young people in the <b>United Arab Emirates</b>.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>7) The fostering and promotion of a <b>moderate version of Islam</b> in Islamic countries and the UK. A greater understanding between Islam and the West as a consequence of supporting Islamic efforts to promote mainstream Islam.</p>	<p><b>Amber – Partly met</b></p> <p>The FCO funded a series of successful <b>Radical Middle Way (RMW)</b> roadshows for moderate international Islamic theologians around the UK. Impact to date has been extensive – 60,000 people have attended the events, 250,000 have logged on to the website, and the download reached number 8 in iTunes' religious download chart. The website has been targeted on more than one occasion by extremist hackers – an indication of the potency of the threat that RMW poses to extremists' ability to monopolise the debate. International RMW activity is now planned – initially in Pakistan and Palestinian camps in Lebanon.</p> <p>In <b>Jordan</b>, the FCO is funding a project to strengthen the capacity of the Jordanian Ministry of Awqaf through programmes for imams, developing communication strategies for the Ministry, and enhancing the quality of radio and TV religious programmes' and newspapers' reporting on religious issues.</p> <p>In <b>Jordan</b>, the FCO is funding a project to train imams in one of the most conservative areas of Jordan. The project has succeeded in creating better communication between the Ministry's directorates. Before the project started in 2005, female and male preachers and imams were never jointly involved in capacity building activities or training – 27 women preachers were trained in English language, preaching and communication skills on a course organised by the British Council and the Ministry. The preaching and communication skills that the female and male preachers have received through this project enabled them to translate the Amman Message into activities designed to better promote this message among Jordanian society.</p> <p>The FCO has established an Anglican–Al Azhar exchange programme and has set up an English language centre at the university. Work with this <b>Egyptian</b> ideological centre has increased the impact of moderate theology both in Egypt and more widely in the Arab world and in UK Arabic communities.</p> <p>The FCO-funded <i>Amar Bangladesh</i> youth TV discussion series on identity and values has become one of the most popular youth discussion programmes on <b>Bangladesh TV</b>, and has helped provoke quality debate in a usually neglected section of the community.</p> <p>The FCO funded a mobile cinema in <b>Bangladesh</b> against radicalisation, which engaged young people in discussions about themes connected with drivers of radicalisation, and used cinema to record and disseminate these discussions widely. A follow-up broadcast of a documentary on a popular TV channel boosted the impact of the project.</p> <p>The FCO sponsored Radio Today FM's '<b>Dhaka's</b> Thought for the Week' project (12 weeks' duration). Through the project, extremist messages were challenged through thought-provoking radio programming on a mainstream popular station, with interactive elements.</p>

#### Notes on measurement

Measuring performance against the above indicators for this PSA is limited, due to the difficulty in capturing reliable and accurate data. It is therefore difficult to quantify the impact the FCO has made on this PSA. Assessments of progress are made by relevant experts in the FCO. They will draw on internal FCO reporting and other appropriate contacts, including other government departments, agencies and overseas governments.

#### Data sources

**Indicator A:** The G8 BMENA website ([www.g8bmena.org](http://www.g8bmena.org)) refers to democracy assistance dialogue; [www.ec.europa.eu/external\\_relations/euromed/summit1105/index.htm](http://www.ec.europa.eu/external_relations/euromed/summit1105/index.htm) refers to the outcomes from the 2005 Barcelona Summit.

**Indicators B1–B7:** Internal FCO reporting.

**Indicator B5:** [www.UNIFEM.org](http://www.UNIFEM.org); [www.ncwegypt.com](http://www.ncwegypt.com); [www.aiwfonline.co.uk](http://www.aiwfonline.co.uk) (Arab International Women's Forum).

The chairperson wrote to the FCO as follows: "I write to say how much we appreciated your efforts and co-operation and those of your team for the AIWF round table discussion hosted by the FCO."

**Indicator B6:** In recent years, MENA countries have adopted policies aimed at attracting foreign investment, in line with the international tendency to move away from relatively closed and *dirigiste* economic strategies. In some cases countries are reversing their economic development strategy after attempting in earlier decades to finance development by investing their trade surpluses abroad. OECD website: [www.oecd.org/dataoecd/57/1/36086643.pdf](http://www.oecd.org/dataoecd/57/1/36086643.pdf)

## SR04 PSA 8 – Sustainable development target

To promote sustainable development, underpinned by democracy, good governance and human rights, particularly through effective delivery of programmes in these and related fields.

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, this PSA target now links to new **Strategic Priority 7: Promoting sustainable development and poverty reduction underpinned by human rights, democracy, good governance and protection of the environment.**

This target is made up of seven indicators, A–G, listed below. The overall assessment is an aggregation of these progress assessments.

	Overall assessment of progress 1 April 2007 – 31 March 2008
Target indicator	Progress assessment 1 April 2007 – 31 March 2008
 <b>Green – Met (ongoing)</b>	<p>Sustainable development is not an end state in itself, but an ongoing process of behaviour change. The FCO has made some progress, for example in shaping the EU's approach to international environmental governance. A proactive FCO strategy helped deliver the human rights targets. These issues will remain a strong focus of work under the new FCO Departmental Strategic Objectives.</p>
<p>A) More countries implementing measures to increase <b>access to information</b>, public participation and access to justice on environmental matters.</p>	<p> <b>Green – Met (ongoing)</b></p> <p>Cameroon, Indonesia, Sri Lanka and three Latin American countries (Colombia, El Salvador and Peru) have joined the Partnership on Principle 10 (PP10) since the FCO started actively lobbying foreign governments to do so. These governments have committed to peer review of their implementation of measures to increase access to information, public participation and access to justice on environmental matters.</p> <p>The FCO also played an active role in the partnership's advisory committee and lobbied other developed governments to step up their support for PP10.</p> <p>The FCO has spent close to £1 million of Global Opportunities Fund (GOF) programme funds over recent years supporting projects aimed at improving access to information, encouraging public participation and increasing access to justice in environmental matters across the globe.</p>
<p>B) Improved <b>natural resource management</b>.</p>	<p> <b>Green – Met (ongoing)</b></p> <p>The FCO has delivered improvements to natural resource management, in part through our support at post and in London for the DEFRA-led sustainable development dialogues with the Gleneagles +5 countries (Brazil, China, India, Mexico and South Africa). Each dialogue refers to the need to improve natural resource management in these target countries.</p> <p>In South Africa, for example, £150,000 of GOF funding has been committed to improving water management in some of the most impoverished communities.</p> <p>In 2007 Brazil hosted the first meeting under the dialogue focusing on wildlife crime, the Convention on Biological Diversity, sustainable forest management and PP10.</p> <p>The FCO set up the Travel Foundation (an independent charity to implement the sustainable tourism initiative launched by the former prime minister). We helped it disseminate information (e.g. give tips on having a more sustainable holiday experience) through the Know Before You Go website, and funded projects on sustainable tourism through the GOF. The Travel Foundation is now self-financing.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
C) Greater international commitment to <b>tackling illegal logging</b> .	<p><b>● Green – Met (ongoing)</b></p> <p>FCO posts are working with DfID to conclude voluntary partnership agreements with key timber-producing countries (Cameroon, Indonesia and Malaysia). Negotiations are to conclude by the end of the first half of 2008, with voluntary partnership agreements (VPAs) becoming operational by the end of 2008.</p> <p>Preliminary discussions on VPAs will be held in early 2008 in the Central African Republic, Congo (Brazzaville), the DRC and Liberia. Ecuador, Gabon, Guyana and Sierra Leone have also shown interest.</p> <p>The FCO and our posts will input into the DEFRA/DfID visit to Japan in March 2008 to progress deliverables on illegal logging during the Japanese G8 presidency.</p> <p>The UK–China Sustainable Forestry Working Group has been formed at the request of the Chinese, and agreed a Forest Action Plan and sharing UK experience on certification systems.</p>
D) Increased implementation of <b>environment charters</b> in the Overseas Territories (OTs).	<p><b>● Green – Met (ongoing)</b></p> <p>The Overseas Territories Environment Programme (OTEP) carried out the fifth bidding round for projects between September and December 2007. A total of 29 new project proposals were received. The Assessment Panel met in February 2008 and approved 11 new projects for funding in 2008/09.</p> <p>Late in 2007 OTEP carried out a review of the environment charters, with OT government and NGO support and input. The review concluded that the charters had been useful, but now needed to be updated in light of new priorities for the OTs. This is now being considered.</p> <p>The FCO portion of OTEP funded 18 environmental projects in 2007/08. They ranged from habitat restoration in Bermuda to drafting environmental legislation in the Turks and Caicos Islands to education projects for children in the Falklands and Ascension Islands.</p>
E) An increase in the number of countries that have <b>abolished the death penalty</b> , or announced a moratorium in its use – from 120 countries in March 2005 to 125 in March 2008.	<p><b>● Green – Met</b></p> <p>This indicator was assessed in the <i>FCO Departmental Report 2007</i> as 'Green - Met early'.</p> <p>In March 2008 the number of countries that have abolished the death penalty came to 135.</p>
F) An increase in the number of ratifications of the UN's six <b>core human rights treaties</b> by 6 per year over the three years.	<p><b>● Green – Met</b></p> <p>This indicator was assessed in the <i>FCO Departmental Report 2007</i> as 'Green – Met early'.</p> <p>From a baseline of 986 in April 2005, there has been an increase of 25 to 1011 by March 2008.</p>
G) An increase in the number of countries that have ratified the Optional Protocol to the <b>Convention Against Torture (OPCAT)</b> – 21 countries to ratify between 2005/06 and 2007/08.	<p><b>● Green – Met</b></p> <p>This indicator was assessed in the <i>FCO Departmental Report 2007</i> as 'Green – Met early'.</p> <p>Between 2005/06 and 2007/08, 28 countries ratified OPCAT, bringing the total number of ratifications in March 2008 to 34.</p>

#### Data sources

**Indicator A:** Internal FCO reporting. Further information at [www.pp10.org](http://www.pp10.org)

**Indicator B:** Internal FCO reporting. Further information at [www.un.org/events/wssd/](http://www.un.org/events/wssd/) and [www.thetravelfoundation.org.uk](http://www.thetravelfoundation.org.uk)

**Indicator C:** Internal FCO reporting.

**Indicator D:** Internal FCO reporting.

**Indicator E:** Amnesty International death penalty website: [www.amnesty.org](http://www.amnesty.org)

**Indicator F:** UN OHCHR: [www.ohchr.org.english](http://www.ohchr.org.english) and reporting from FCO posts/EU.

**Indicator G:** UN OHCHR: [www.ohchr.org.english](http://www.ohchr.org.english), OPCAT: [www.ohchr.org/english/bodies/ratification/q\\_b.htm](http://www.ohchr.org/english/bodies/ratification/q_b.htm) and reporting from FCO posts/EU.

## SR04 PSA 9 – Entry clearance and consular target

Effective and efficient consular and entry clearance services, as measured by specific underlying targets. The entry clearance part of this target is shared with UKvisas and the Home Office.

Following the publication of *Active Diplomacy for a Changing World: the UK's International Priorities*, the entry clearance part of the target now links to new **Strategic Priority 8: Managing migration and combating illegal immigration**. The consular part of the target now links to new **Strategic Priority 9: Delivering high-quality support for British nationals abroad, in normal times and in crises**.

This target is made up of 11 indicators, A1–4 and B1–7, listed below. The overall assessment is an aggregation of these progress assessments.



**Amber – Partly met**

### Overall summary of progress 1 April 2007 – 31 March 2008

#### Entry clearance

The **provisional** cumulative figures for the year show that PSA target indicators A2, A3 and A4 were all achieved, but that indicator A1 was 1 per cent below target. This is based on the provisional figures currently available – each month's figures are recalculated for a two-month period before being finalised to reflect certain data inputting issues, for example decisions on applications carried over from previous months. These figures will be recalculated to ensure all 2007/08 data is accounted for, and we would expect the indicator A1 figure to improve.

All four indicators ended the year with an improvement on the April 2007 figure, reflecting the commitment of the UK Border Agency (UKBA) International Group – formerly UKvisas – to continually improve PSA performance and measurement. PSA targets are now an integral element of the UKBA International Group Balanced Scorecard, giving posts an additional incentive to improve performance.

Although the overall assessment for PSA 9 has been marked as 'Amber – Partly met', the entry clearance indicators would have received an overall target of 'Green – Met' if they had been reported on separately.

#### Consular

This report covers performance for four of our seven PSA targets. In addition to our service delivery target, we are now able to provide measures for our passports, detainees and hospitalisation targets via new reports from our IT systems.

Since 1 February 2008, we have introduced a monthly dashboard report that enables us to report on a wider number of measures more frequently. This is reflected in our Departmental Strategic Objective Plan for 2008/09.

A final assessment against this PSA will appear in the *FCO Autumn Performance Report 2008*.

### Target indicator

### Progress assessment 1 April 2007 – 31 March 2008

#### A) Entry clearance

1) 90 per cent of straightforward non-settlement **visa applications** to be processed and available for return to the applicant within 24 hours from the date of receipt by a visa section of the application and all supporting documents including the fee.

**Amber – Partly met**

Overall **provisional** cumulative figure of 89 per cent. We anticipate that the 90 per cent target will be met when the final figures are calculated from stable and cleansed data.

Performance against this indicator has remained at or around the 90 per cent target for most of the year, with the target being achieved for six months of the reporting year. Each month, an average of 70 per cent of all visa-issuing posts met the indicators' target.

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
2) 90 per cent of <b>non-settlement applications</b> requiring further enquiries or interview to be decided within 15 working days from the date of receipt by a visa section of the application and all supporting documents including the fee.	<p> <b>Green – Met</b></p> <p>Performance has been consistently improving, achieving a cumulative figure of 94 per cent <b>provisionally</b> for the year.</p> <p>From a low of 89 per cent in April 2007, the target was achieved in every other month of the reporting year. Each month, an average of 82 per cent of all visa-issuing posts met the target.</p>
3) 90 per cent of applicants for <b>settlement visas</b> to be interviewed within 12 weeks (except at posts where ministers have agreed alternative targets).	<p> <b>Green – Met</b></p> <p>Apart from a minor dip in June and July 2007, the target was met throughout the year, achieving a cumulative figure of 94 per cent <b>provisionally</b> for 2007/08.</p> <p>Each month, an average of 84 per cent of all visa-issuing posts met the target.</p>
4) 60 per cent of visa applications to be processed by posts with <b>risk assessment units</b> or visa assessment teams in 2005/06, rising to 70 per cent in 2006/07 and 75 per cent in 2007/08.	<p> <b>Green – Met</b></p> <p>A cumulative figure of 76 per cent was achieved <b>provisionally</b> for the reporting year.</p> <p>This figure is calculated centrally based on the number of visa applications handled by posts with risk assessment units or with access to intelligence-led support.</p>
<b>B) Consular</b>	
1) 90 per cent of <b>overseas passports issued</b> within ten working days from receipt of correct fee and correctly completed application.	<p> <b>Red – Not met</b></p> <p>Achieved 84 per cent. 364,216 passports were issued in 2007/08. Of these, 305,440 were completed within the ten-day PSA target and 58,776 were outside the target.</p> <p>Our performance has increased when compared with our performance over the same period in 2006/07, where we achieved an 81 per cent success rate.</p> <p>It should also be highlighted that a very small number of passport-issuing posts account for 80 per cent of overall production. Local difficulties in one or two of these posts (for example an 186 per cent increase in demand in one month in Canberra) meant that the overall target could not be met.</p>
2) 99 per cent of <b>hospitalised consular cases contacted</b> within 24 hours of notification.	<p> <b>Green – Met</b></p> <p>Achieved 99 per cent. There were 1,346 new hospital cases in 2007/08, of which 1,223 were relevant for PSA measuring (123 cases were not relevant due to posts being notified after the individual had left the hospital). Of the 1,223 relevant cases, 1,213 were contacted within the target time.</p>
3) 98 per cent of <b>detainees contacted</b> within 24 hours of notification of arrest, and detainee visited as soon as possible thereafter if detainee wishes.	<p> <b>Green – Met</b></p> <p>Achieved 98 per cent. There were 2,941 new detainee cases in 2007/08, of which 2,197 were relevant for PSA measuring (744 cases were not relevant due to local authorities informing us after the release of the individual). Of the 2,197 relevant cases, 2,163 were contacted within the target time.</p>

Target indicator	Progress assessment 1 April 2007 – 31 March 2008
<p>4) 98 per cent of <b>notarial acts carried out</b> within one working day from receipt of correct fee and correctly completed application.</p>	<p><input type="radio"/> <b>White – Not known</b></p> <p>The figures will be available in August 2008 when the results of the Consular Annual Return for 2007/08 are collated.</p> <p>Based on past experience, there is no reason to suggest that we will not meet this target. Figures for last year show that we performed 94,411 notarial services with only 229 failing the target, achieving a 99.76 per cent success rate. In 2005/06 we achieved a 99.83 per cent success rate.</p> <p>Final assessment against this indicator will appear in the <i>FCO Autumn Performance Report 2008</i>.</p>
<p>5) 98 per cent of <b>birth registrations carried out</b> within five working days from receipt of correct fee and correctly completed application.</p>	<p><input type="radio"/> <b>White – Not known</b></p> <p>The figures will be available in August 2008 when the results of the Consular Annual Return for 2007/08 are collated.</p> <p>Final assessment against this indicator will appear in the <i>FCO Autumn Performance Report 2008</i>.</p>
<p>6) 98 per cent of <b>death registrations carried out</b> within three working days from receipt of correct fee and correctly completed application.</p>	<p><input type="radio"/> <b>White – Not known</b></p> <p>The figures will be available in August 2008 when the results of the Consular Annual Return for 2007/08 are collated.</p> <p>Final assessment against this indicator will appear in the <i>FCO Autumn Performance Report 2008</i>.</p>
<p>7) <b>Service delivery.</b> 75 per cent of a cross-section of users satisfied with the delivery of consular services.</p>	<p><input checked="" type="radio"/> <b>Green – Met</b></p> <p>For consular services offered, 97 per cent agreed that a good service was provided, with 91 per cent strongly agreeing that the service provided was very good.</p> <p>The figures are based on 1,403 returns.</p> <p>This is the last year that the survey will be conducted in a randomly chosen week. A new management information system, introduced this year, enables us to collect customer satisfaction information monthly.</p>

#### Data sources

**Indicators A1–A3:** Automated monthly statistical return run on 5 April 2008.

**Indicator A4:** Statistical search screen run on 7 April 2008.

**Indicator B1:** Automated report from the passport-issuing system, BRIT.

**Indicator B2:** Automated report from the assistance database, CompassNG.

**Indicator B3:** Automated report from the assistance database, CompassNG.

**Indicator B7:** Data from questionnaires returned from posts.

#### Further reading

*FCO Autumn Performance Report 2007* (Dec 2007):

[www.fco.gov.uk/resources/en/pdf/autumn-performance-report-07](http://www.fco.gov.uk/resources/en/pdf/autumn-performance-report-07)

*FCO Autumn Performance Report 2007* (May 2007):

[www.fco.gov.uk/Files/kfile/PSA\\_targets.pdf](http://www.fco.gov.uk/Files/kfile/PSA_targets.pdf)

FCO White Paper: Active Diplomacy for a Changing World (Mar 2006, updated June 2006):

[www.fco.gov.uk/en/about-the-fco/what-we-do/funding-programmes/public-diplomacy/](http://www.fco.gov.uk/en/about-the-fco/what-we-do/funding-programmes/public-diplomacy/)

# SR04 2005/06-2007/08

## Summary of PSA target assessment progress

PSA target and Director General (DG) responsible for delivery	Indicator	Performance indicator area	Departmental Report 2007/08 rating	Autumn Performance Report 2007 rating	Departmental Report 2006/07 rating	Autumn Performance Report 2006 rating
			04/07–03/08	04/07–09/07	04/06–03/07	04/06–09/06
<b>PSA 1 WMD:</b> Mariot Leslie, DG Defence and Intelligence	A	Rolling back WMD programmes	● Red	● Red	● Red	● Red
	B	Awareness of WMD threat	● Amber	● Amber	● Amber	● Amber
	C	Instruments to counter WMD	● Amber	● Amber	● Amber	● Amber
	D	Threat reduction schemes	● Green	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>4</b>	<b>Overall rating</b>	● Red	● Red	● Amber	● Amber
<b>PSA 2 TERRORISM:</b> Mariot Leslie, DG Defence and Intelligence	A	Awareness of terrorist threat	● Green	● Amber	● Amber	● Amber
	B	Preventive action	● Green	● Amber	● Amber	● Amber
	C	Political will to counter terrorism	● Amber	● Amber	● Amber	● Amber
	D	Mechanisms for counter-terrorism	● Amber	● Amber	● Amber	● Amber
	E	Reduction in vulnerability	● Green	● Amber	● Amber	● Amber
	F	Capacity to deal with consequences	● Green	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>6</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber
<b>PSA 3 CONFLICT PREVENTION:</b> Mark Lyall Grant, DG Political	A1	Afghanistan	● Amber	● Amber	● Amber	● Amber
	A2	Balkans	● Amber	● Amber	● Amber	● Amber
	A3	DRC	● Amber	● Amber	● Amber	● Amber
	A4	Iraq	● Amber	● Red	● Red	● Red
	A5	MEPP	● Red	● Red	● Red	● Red
	A6	Nepal	● Amber	● Amber	● Amber	● Amber
	A7	Nigeria	● Amber	● Amber	● Amber	● Amber
	A8	Sierra Leone	● Green	● Amber	● Amber	● Green
	A9	Sudan	● Amber	● Amber	● Amber	● Amber
	B1a	UN peacekeeping	● Amber	● Amber	● Amber	● Amber
	B1b	UN peacekeepers	● Green	● Green	● Green	● Green
	B2	African peacekeeping	● Amber	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>12</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber

PSA target and Director General (DG) responsible for delivery	Indicator	Performance indicator area	Departmental Report 2007/08 rating	Autumn Performance Report 2007 rating	Departmental Report 2006/07 rating	Autumn Performance Report 2006 rating
			04/07–03/08	04/07–09/07	04/06–03/07	04/06–09/06
<b>PSA 4 EFFECTIVE EU:</b> Simon Fraser, DG Europe & Globalisation	A	Dossiers for UK presidency	● Green	● Green	● Green	● Green
	B	Arrangements for presidency	● Green	● Green	● Green	● Green
	C	EU crisis management capacity	● Amber	● Amber	● Amber	● Amber
	D	EU role in tackling terrorism	● Amber	● Amber	● Amber	● Amber
	E	Capable, coherent and robust CFSP	● Amber	● Amber	● Amber	● Amber
	F	Resolution of Gibraltar dispute	● Green	● Green	● Green	● Green
	G	Turkey accession negotiations	● Amber	● Amber	● Amber	● Amber
	H	Integration of new EU members	● Amber	● Amber	● Amber	● Amber
	I	Stronger relationship with Russia	● Amber	● Red	● Amber	● Amber
	J	Ratification of constitution	○ White	○ White	○ White	○ White
	K	Agreement on financing arrangements	● Amber	● Amber	● Amber	● Amber
	L	Ongoing reform of CAP	● Amber	● Amber	● Amber	● Amber
	M	JHA arrangements	● Green	● Amber	● Amber	● Amber
	N	Lisbon process	● Green	● Amber	● Amber	● Amber
	O	Domestic awareness of EU	● Amber	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>15</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber
<b>PSA 5 EUROPEAN SECURITY:</b> Mark Lyall Grant, DG Political	A	Efficient and effective NATO	● Amber	● Amber	● Amber	● Amber
	B	Coherent and effective ESDP	● Amber	● Amber	● Amber	● Amber
	C	Enhanced defence capabilities	● Amber	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>3</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber
<b>PSA 6 UKTI:</b> Andrew Cahn, Chief Executive UKTI	A	Development resources	● Amber	● Amber	● Amber	● Amber
	B	Firms assisted	● Green	● Green	● Green	● Green
	C	Business performance	● Green	● Green	● Green	● Green
	D	UK GDP FDI ranking	● Amber	● Amber	● Amber	● Amber
	E	Inward investment	● Amber	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>5</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber

PSA target and Director General (DG) responsible for delivery	Indicator	Performance indicator area	Departmental Report 2007/08 rating	Autumn Performance Report 2007 rating	Departmental Report 2006/07 rating	Autumn Performance Report 2006 rating
			04/07–03/08	04/07–09/07	04/06–03/07	04/06–09/06
<b>PSA 7 ISLAMIC COUNTRIES:</b> Mark Lyall Grant, DG Political	A	Reform on international agenda	● Amber	● Amber	● Amber	● Amber
	B1	Political pluralism	● Amber	● Red	● Amber	● Amber
	B2	Legal and penal reform	● Amber	● Amber	● Amber	● Amber
	B3	Governmental accountability	● Amber	● Amber	● Red	● Red
	B4	Strengthened civil society	● Amber	● Amber	● Amber	● Amber
	B5	Representation of women in govt	● Amber	● Amber	● Amber	● Amber
	B6	Removal of barriers to investment	● Amber	● Red	● Amber	● Amber
	B7	Promotion of moderate Islam	● Amber	● Amber	● Amber	● Amber
<b>Total indicators</b>	<b>8</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber
<b>PSA 8 SUSTAINABLE DEVELOPMENT:</b> Simon Fraser, DG Europe & Globalisation	A	Access to information	● Green	● Amber	● Amber	● Amber
	B	Natural resource management	● Green	● Amber	● Amber	● Amber
	C	Tackling illegal logging	● Green	● Amber	● Amber	● Amber
	D	Environment charters in OTs	● Green	● Amber	● Amber	● Amber
	E	Countries abolishing death penalty	● Green	● Green	● Green	● Green
	F	UN core human rights treaties	● Green	● Green	● Green	● Amber
	G	Countries ratifying OPCAT	● Green	● Green	● Green	● Green
<b>Total indicators</b>	<b>7</b>	<b>Overall rating</b>	● Green	● Amber	● Amber	● Amber
<b>PSA 9 ENTRY CLEARANCE &amp; CONSULAR:</b> James Bevan, DG Change & Delivery	A1	Visa applications	● Amber	● Amber	● Green	● Amber
	A2	Non-settlement applications	● Green	● Green	● Green	● Green
	A3	Settlement visas	● Green	● Green	● Green	● Amber
	A4	Risk assessment units	● Green	● Amber	● Green	● Amber
	B1	Overseas passports issued	● Red	● Red	○ White	● Amber
	B2	Hospitalised cases contacted	● Green	● Amber	○ White	● Green
	B3	Detainees contacted	● Green	● Amber	○ White	● Green
	B4	Notarial acts carried out	○ White	● Green	○ White	● Green
	B5	Birth registrations carried out	○ White	● Amber	○ White	● Red
	B6	Death registrations carried out	○ White	● Amber	○ White	● Red
	B7	Service delivery – satisfaction	● Green	○ White	● Green	○ White
<b>Total indicators</b>	<b>11</b>	<b>Overall rating</b>	● Amber	● Amber	● Amber	● Amber
<b>Total indicators 2005/06–2007/08 PSA (SR04)</b>	<b>71</b>					

**KEY:**

● Green	Met or Met – ongoing
● Amber	Partly met
● Red	Not met
○ White	Not assessed / Not known

# A



# Annexes

- List of FCO's previous Strategic International Priorities and linked PSA targets
- Better regulation
- Index

# Annex A: List of FCO's previous Strategic International Priorities and linked PSA targets

Strategic Priority	Linked PSA target
<b>SP1</b> – Making the world safer from global terrorism and weapons of mass destruction.	<b>PSA 1</b> – Weapons of mass destruction <b>PSA 2</b> – International terrorism
<b>SP2</b> – Reducing the harm to the UK from international crime, including drug trafficking, people smuggling and money laundering.	No FCO PSA target
<b>SP3</b> – Preventing and resolving conflict through a strong international system.	<b>PSA 3</b> – Conflict prevention <b>PSA 5</b> – European security (performance indicators A & B)
<b>SP4</b> – Building an effective and globally competitive EU in a secure neighbourhood.	<b>PSA 4</b> – Effective EU <b>PSA 5</b> – European security (performance indicator C)
<b>SP5</b> – Supporting the UK economy and business through an open and expanding global economy, science and innovation and secure energy supplies.	<b>PSA 6</b> – UK Trade & Investment
<b>SP6</b> – Achieving climate security by promoting a faster transition to a sustainable, low-carbon global economy.	No FCO PSA target
<b>SP7</b> – Promoting sustainable development and poverty reduction underpinned by human rights, democracy, good governance and protection of the environment.	<b>PSA 7</b> – Engaging with the Islamic World <b>PSA 8</b> – Sustainable Development
<b>SP8</b> – Managing migration and combating illegal immigration.	<b>PSA 9</b> – Entry clearance performance indicators
<b>SP9</b> – Delivering high quality support for British nationals abroad, in normal times and in crises.	<b>PSA 9</b> – Consular performance indicators
<b>SP10</b> – Ensuring the security and good governance of the UK's Overseas Territories.	No FCO PSA target

## Annex B: Better regulation

The FCO introduced one piece of new primary legislation in 2007/08. This was the Sierra Leone (International Tribunals) Bill. The Border and Immigration Agency carried out four impact assessments on changes to visa fee charges, with other government departments including the FCO and UKvisas consulted.

Two regulatory impact assessments which analyse the effect of policy change were taken forward. These concerned the regulation of private military security companies, and the move of FCO Services, our internal service provider, to Trading Fund status. The latter was achieved when the FCO Services Trading Fund Order 2008 was passed by Parliament in February 2008.

The FCO Services move to Trading Fund status (see page 109) was preceded by formal public consultation held between July and October 2007. It explained the benefits of the move, and how the Trading Fund will operate in the future. It was aimed mainly at those most closely associated with the organisation – its customers, competitors, suppliers and staff, but also anyone else in the wider public who wished to comment on the change.

This was an important exercise and we provided reassurance to respondents on a number of points. However, no significant issues emerged to suggest we should change our plans. An analysis of the responses and an impact assessment were published on the FCO website<sup>91</sup> and copies laid before Parliament.

### **Simplification and administrative burdens reductions**

The FCO remains committed to better regulation. We published our second Simplification Plan<sup>92</sup> in December 2007. The nature of our business does not impact greatly on the business sector: it is the public who use our visa and consular services who are receiving a better service resulting from simplification of our processes. Business does benefit, however, from our efforts globally, especially in Europe, where we continue to promote simplification and the reduction of administrative burdens which hamper growth and hinder trade.

<sup>91</sup> See [www.fco.gov.uk/en/about-the-fco/publications/publications/consultations1/closed](http://www.fco.gov.uk/en/about-the-fco/publications/publications/consultations1/closed)

<sup>92</sup> *Better Regulation – the FCO Simplification Plan 2006*, see <http://www.fco.gov.uk/en/about-the-fco/how-we-are-organised/improvements/simplification>; *Better Regulation – the FCO Simplification Plan 2007*, see also [www.fco.gov.uk/en/about-the-fco/how-we-are-organised/improvements/simplification](http://www.fco.gov.uk/en/about-the-fco/how-we-are-organised/improvements/simplification)

We have taken the following measures:

- We increased the outsourcing of administrative parts of visa operations to commercial partners, including the collection of biometric (fingerprints) information. This:
  - frees up our staff to make better decisions
  - speeds up the process for genuine visitors and
  - provides easier local access for customers.
 Visa application centres are now up and running in several countries. Centralising the UKvisas website and synchronising with overseas posts and commercial partners will provide a one-stop-shop for customers enquiring about procedures. A new UKvisas website, which will eventually hold all information about visas, was launched in March 2008. Redesigning delivery models of visa services using centralised processing ('hub and spoke') is well under way (see page 106).
- We introduced online application forms for visa applicants in November 2007 and these are already making life easier for customers and officials as are online forms for passport applications and the registration of births and deaths overseas.
- Payment for consular services by credit and debit card was piloted in Spain from 2006, and planning is under way to introduce this more widely. We also plan to introduce ePayments for customers of our legalisation services in the UK in 2008.
- New consular databases have been launched to allow travellers to register their details online before they travel. In the event of a crisis overseas, this will speed up response times and improve the quality of information available to staff and affected families.
- In June 2007 we published *Guide to Bereaved Families*<sup>93</sup> to ensure that information on what happens in the UK is quickly available to bereaved families. We added an insert on what to expect in the country where the death took place. A more general guide to consular services for the public was launched in 2006,<sup>94</sup> which clarifies what we can and cannot do for British nationals who find themselves in difficulty overseas.

### **The European Union (EU)**

The FCO continues to work through overseas posts, including the UK representation to the EU in Brussels, to make progress on the better regulation agenda at EU level. We have seen some significant achievements: in Brussels the Portuguese presidency built on the successes of the UK presidency in the use of impact assessments and moved forward an inter-institutional work programme.

At member state level, the FCO has facilitated a number of exchanges and seminars, which have provided UK expertise and best practice to new member states in particular. We welcome the target of a 25% reduction in EU administrative burdens, agreed at the 2007 Spring European Council, and look forward to the target becoming a reality.

The FCO has been working particularly closely with Slovenia to ensure that the better regulation agenda plays a central role in the Spring Council. Again, thanks to efforts in Ljubljana (who are supporting a UK secondee on better regulation) and through the UK representation in Brussels. They are working with the presidency to embed better regulation principles firmly into the forward Lisbon agenda.

Better regulation is at the heart of the FCO–Cabinet Office Global Europe paper<sup>95</sup> and the Minister for Europe will take forward some joint work with ministerial colleagues to keep up the momentum on better regulation at EU level.

### **Embedding better regulation culture in the FCO**

In 2007 we launched a new homepage on our intranet to increase awareness and outreach to staff. We have also involved people with specialist impact assessment skills in steering our better regulation work. We have a better regulation champion who ensures that at the highest level the principles of better regulation are not overlooked.

93 See [www.fco.gov.uk/Files/KFile/Guide%20for%20bereaved%20families,0.pdf](http://www.fco.gov.uk/Files/KFile/Guide%20for%20bereaved%20families,0.pdf)

94 See [www.fco.gov.uk/resources/en/pdf/pdf14/fco\\_trv\\_consularguidefull](http://www.fco.gov.uk/resources/en/pdf/pdf14/fco_trv_consularguidefull)

95 See [www.fco.gov.uk/resources/en/pdf/pdf1/global-europe](http://www.fco.gov.uk/resources/en/pdf/pdf1/global-europe)

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