



Autumn Performance Report 2005

**Foreign and Commonwealth Office
Autumn Performance Report
A review of progress towards the FCO's current Public
Service Agreement targets
01 April to 30 September 2005**

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
December 2005*



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Table of Contents

Description	Page
Introduction	2-3
Guide to traffic light assessment method	4
Summary of performance against PSA targets	5
Chapter	
1 A world safer from global terrorism and weapons of mass destruction	6-11
2 Protection of the UK from illegal immigration, drug trafficking and other international crime	12
3 An international system based on the rule of law, which is better able to resolve disputes and prevent conflicts	13-24
4 An effective EU in a secure neighbourhood	25-34
5 Promotion of UK economic interests in an open and expanding global economy	35-40
6 Sustainable development, underpinned by democracy, good governance and human rights	41-48
7 Security of UK and global energy supplies	49-51
8 Security and good governance of the UK's Overseas Territories	52-53
9 Public Diplomacy	54-55
10 Public Services	56-58
11 Efficiency Work	59-60
Annex I Full text of the FCO's 2005-08 PSA	61-62
Annex II Full text of the FCO's 2003-06 PSA	63-64

Introduction

Public Service Agreement targets:

The Foreign and Commonwealth Office (FCO) is currently working towards two sets of Public Service Agreement (PSA) targets.

They are the key commitments that the FCO has agreed to deliver in return for the resources agreed in the 2002 and 2004 Spending Reviews (SR).

The targets cover a wide range of FCO activity. Figure 1 lays out how both sets of targets relate to our current key areas of work. You can find out more about these areas of work by referring to the FCO's five to ten year Strategy on our website. (www.fco.gov.uk).

Report structure

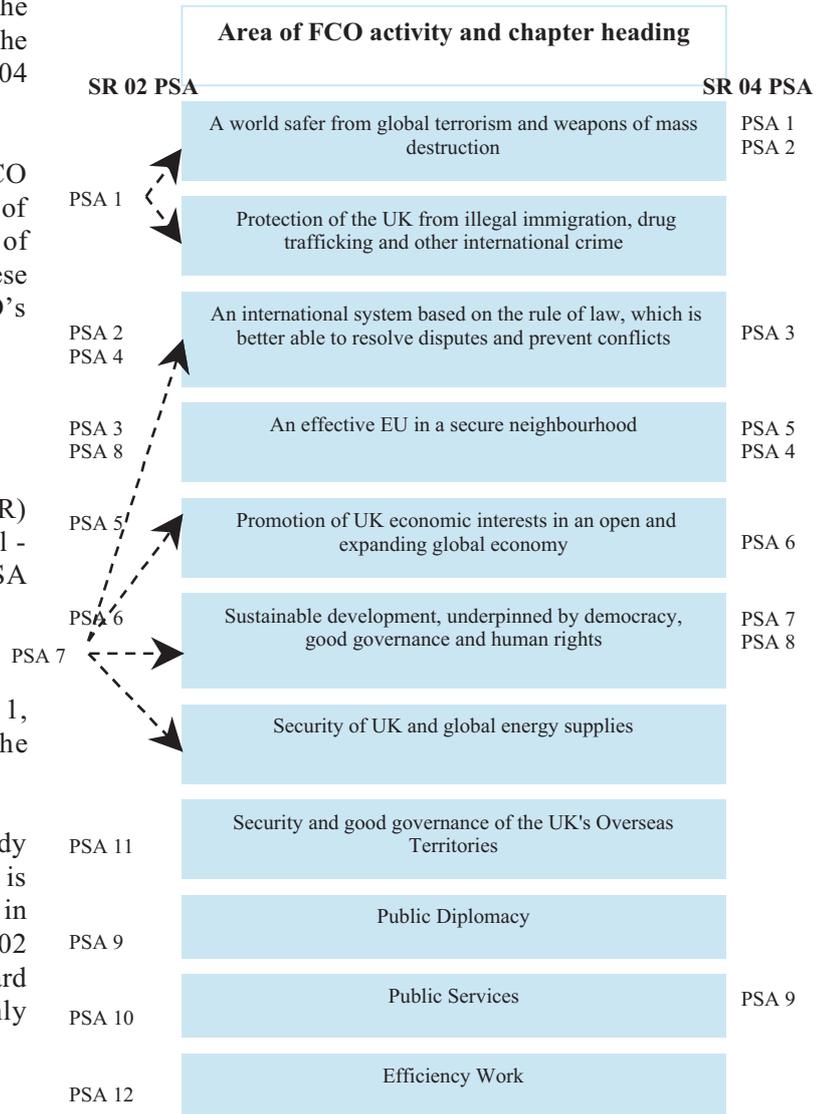
This Autumn Performance Report (APR) captures FCO performance from 1 April - 30 September 2005 against our PSA targets.

Each chapter of this report covers one of the areas of work listed in figure 1, presenting performance against the relevant PSA target.

In some instances, the FCO has already met some of our SR 02 targets – there is therefore no current progress to capture in this report. Similarly, where an SR 02 target has been completely rolled forward into an SR 04 target, this report only covers the relevant SR 04 target.

The FCO's Spring Departmental Report will contain full assessments against all of our SR 02 targets.

Figure 1

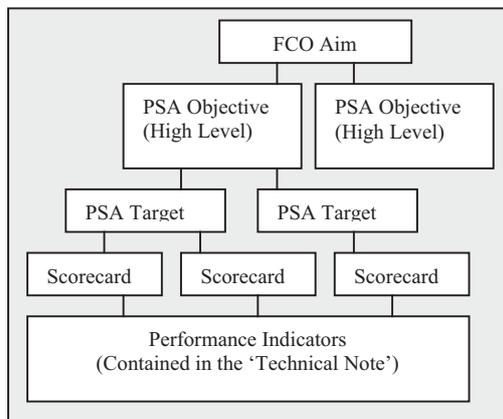


The full SR 04 and SR 02 PSA agreements can be found at annex I and II

Methodology; how to measure foreign policy

To overcome the inherent difficulties in measuring foreign policy performance, the FCO has developed a system of scorecards to monitor progress towards our PSA targets. Each distinct area of work covered by a target has been broken down into separate scorecards. These scorecards then set out the performance indicators that show whether progress is being made. (see figure 2).

Figure 2. Structure of the PSA



An unclassified version of these scorecards, listing the performance indicators, is available on the FCO website (www.fco.gov.uk).

The Autumn Performance Report (APR) contains details of the FCO's progress against all of the SR04 scorecards and indicators, and SR02 indicators that are still 'live'. In many cases, SR02 indicators have been met, surpassed by date or rolled forward into SR04. There is no current progress towards these indicators to report on in the APR.

In some cases publication of data is constrained by security considerations. But the APR does cover some of the most relevant and far-reaching work undertaken by the FCO.

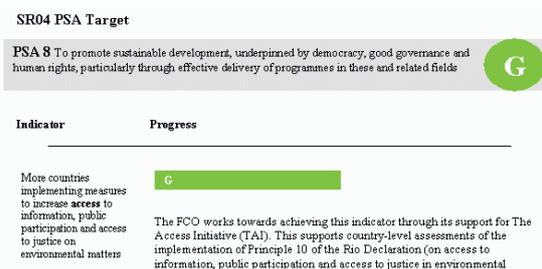
Methodology; assessing PSA performance

The Autumn Performance Report is the culmination of work commissioned throughout the FCO, drawing on performance information against the scorecards.

Progress towards achieving the PSA targets and their underpinning performance indicators is charted using traffic light assessments. The exact traffic light definitions are discussed in the next section of this report.

Figure 3, below, demonstrates how we present performance information in this report. An overall traffic light rating is given for the complete PSA target, based on individual ratings for all the underpinning performance indicators.

Figure 3: Presenting performance



Where a scorecard has many underpinning performance indicators, departments have identified the three priority indicators. This helps to work out the critical success or failure weighting when making a judgement on the status of the PSA target as a whole.

An accompanying narrative sets out performance against each scorecard indicator. The narrative presents the justification behind the traffic light status and how the FCO is influencing this rating.

Guide to performance traffic lights

Target assessment



Fully on course. Means that the FCO is on course to meet this target. All, or the majority of, underlying performance indicators are being met within the set timeframes.



Generally on course. Means that the FCO is generally on course to meet this target. However there has been some slippage; performance indicators are not being completely met and/or progress is marginally outside the set timeframes.



Not on course. Means that the FCO is not on course to meet this target. There has been major slippage; most of the performance indicators are not being met and/or majority of progress is outside set timeframes.

Performance indicator assessment

External factors, outside the direct control of the FCO, can often influence progress in a particular area of activity. The distinction between FCO effort and the degree of external influence is not made. Accompanying performance narratives explain FCO specific activity and clarify how the FCO is influencing the indicator rating.



Fully on course



Generally on course



Not on course

Summary of performance against PSA targets

SR 04 PSA Target Performance 01 April to 30 September 2005

PSA 1 “To deter, check and roll back programmes for the development of WMD...”	A
PSA 2 “To reduce the risk from international terrorism...”	A
PSA 3 “By 2008, deliver improved effectiveness of UK and international support for conflict prevention...”	A
PSA 4 “A reformed and effective (post-enlargement) EU...”	A
PSA 5 “Play a leading role in the development of the European Security Agenda...”	G
PSA 6 “By 2008, deliver a measurable improvement in the business performance of UK Trade and Investment’s...”	G
PSA 7 “To increase understanding of, and engagement with, Islamic countries and communities...”	A
PSA 8 “To promote sustainable development, underpinned by democracy, good governance and human rights...”	G
PSA 9 “Effective and efficient consular and entry clearance services...”	A

SR 02 PSA Target Performance 01 April to 30 September 2005

PSA 1 “...international terrorism and the proliferation of WMD. Reduce international crime, drugs, people-trafficking, opium production in Afghanistan...”	A
PSA 2 “Reduce tension in South Asia, the Middle East, Balkans and elsewhere...”	R
PSA 3 “Strengthen European security...”	G
PSA 4 “Improve effectiveness of the UK contribution to conflict prevention and management...”	A
PSA 5 “Deliver measurable improvement in the business performance of UKTI’s customers; ...”	G
PSA 6 “Secure agreement by 2005 to a significant reduction in trade barriers...”	R
PSA 7 “Make globalisation work for sustainable development in the UK and internationally (and particularly in Africa)...”	A
PSA 8 “A modern, reformed, and enlarged EU, ...”	G
PSA 9 “Effective advice on, support for, and delivery of Government objectives across the full range of the UK’s international interests...”	G
PSA 10 “Effective and efficient consular and entry clearance services, ...”	A
PSA 11 “Improvement in the governance, environment and security of the overseas territories, and more diversified economic development, ...”	A
PSA 12 “Improve value for money across the full range of FCO, BBC World Service and British Council activities...”	G

Chapter 1

A world safer from global terrorism and weapons of mass destruction

This area of FCO activity covers performance against three of our PSA targets:

- | | |
|---|----------------------------|
| 1. SR 04 PSA 1 (WMD) | Performance update |
| 2. SR 04 PSA 2 (Counter Terrorism) | Performance update |
| 3. SR 02 PSA 1 (Counter Terrorism and WMD elements) | Covered by SR 04 reporting |

SR04 PSA Target

PSA 1 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 world-wide



Indicator

Progress

Contribution towards rolling back

programmes or potential emerging programmes in countries of concern; and consolidating progress already made

Data source

-for all PSA 1 indicators-

The Joint Intelligence Committee (JIC) assesses the status of WMD programmes across the board in countries of concern, including timelines for the programmes. Diplomatic Posts provide regular reporting on developments in individual countries of concern and in discussions within the treaties and regimes

A

Libya's WMD programmes have been effectively dismantled, although Libya has yet to destroy its stocks of chemical agent. The FCO has continued to co-ordinate work on residual WMD issues to establish Libya's credibility and build international confidence. The second meeting of the Trilateral Steering and Co-operation Committee in Tripoli (14 July) noted no fresh concerns over Libya's activities and evidenced continued high level UK/US engagement. Two UK/US-sponsored export control training courses for Libyan officials took place in London in September. We are continuing to support work to engage Libyan scientists to prevent 'expertise proliferation'. FCO activity against the AQ Khan network has primarily been in support of Agency activity as they seek to encourage other states to take action against network members in their jurisdiction, and assistance to HM Revenue & Customs (HMRC). We have provided advice and helped facilitate the introduction of evidential Letters of Request into various countries where HMRC anticipate conducting enquiries pursuant to their investigation of British nationals suspected of contravening the nuclear provisions of the Anti-Terrorism, Crime and Security Act 2001.

The E3 (France, Germany and the United Kingdom) negotiating process with Iran has succeeded in maintaining a suspension of Iran's declared uranium enrichment and reprocessing facilities. However, Iranian resumption of uranium conversion activities has triggered action by the International Atomic Energy Agency (IAEA) Board of Governors aimed at persuading it to resume full suspension. A resolution passed by the IAEA on 24 September found Iran non-compliant with its safeguards obligations, which under the IAEA Statute will require a report to the UN Security Council, though the Resolution does not specify when a report will take place.

The FCO, MOD, DFID and US colleagues, have been investigating how best to minimise the risks that Iraqi scientists and technicians, with skills relevant to WMD programmes, do not resume work in Iraq; transfer their skills to WMD programmes elsewhere or give support to terrorist groups wishing to acquire a WMD capability. Initial contacts have taken place. We have worked to encourage Iraqi contact and co-operation with the Organisation for the Prohibition of Chemical Weapons (OPCW) towards their accession to the Chemical Weapons Convention (CWC). Most recently the UK participated in an OPCW workshop for Iraqi officials. UK and US officials plan to work with Iraqi counterparts to help them to prepare their accession documents.

The UK continues to voice its support for the 6 Party (China, Russia, Japan, the United States and North and South Korea) Talks Process aimed at resolving the North Korean nuclear issue, and to use its presence in Pyongyang to urge North Korea to participate constructively in the talks. As EU President Presidency we have initiated discussion on whether to extend the EU's membership of The Korean Peninsula Energy Development Organization (KEDO) beyond December 2005. The Missile Technology Control Regime (MTCR) agreed our proposal for special scrutiny at transshipment points known to be used by the North Korean missile programme.

We welcomed the US – India joint statement of 18 July on increased civil nuclear co-operation. We announced that we would consider positively proposals for changes to the international rules that will allow increased civil nuclear co-operation with India and strengthen the global non-proliferation regime. We have already initiated discussions with EU partners. We are discussing co-operation on counter proliferation of nuclear technology and materials separately with Pakistan, including as an element in the Strategic Dialogue agreed by the Prime Minister and President Musharraf.

Success in raising **awareness** 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

A

Through extensive diplomatic and political action we have gone some way to raising awareness of the scale and nature of the WMD threat but we are still some way from moving from this legislative and diplomatic framework to robust action by the international community. We continue to play a leading role in the Proliferation Security Initiative. The FCO has supported MOD planning for the UK-led maritime exercise scheduled for November. We successfully argued for the dissolution of the 'core group' to open the door to broader participation in The Proliferation Security Initiative (PSI). We have continued to co-ordinate UK action in the International Maritime Organisation (IMO) to secure amendments to the Suppression of Unlawful Acts at Sea (SUA) Convention that would criminalise the transport of WMD by sea. We have worked with like-minded countries to ensure the successful adoption of a draft text by the IMO Legal Committee in April for ultimate adoption at the November Diplomatic Conference. We have agreed the texts of bilateral boarding agreements with Norway and the Republic of the Marshall Islands in respect of vessels suspected of WMD trafficking.

UK's contribution to strengthening **international instruments, organisations and export control regimes** to counter WMD development and proliferation

A

We made significant progress at the Nuclear Suppliers Group Plenary in June 2005 towards an agreement on transfers of enrichment and reprocessing technology. We were the leading proponent of an Nuclear Suppliers Group (NSG) agreement on how to handle non-compliance with IAEA obligations, which was agreed in June. The Australia Group (group of countries that seek to prevent the spread of chemical and biological weapons) agreed significant control list amendments and admitted Ukraine to its membership. The Missile Technology Control Regime (MTCR) agreed to our proposal to tighten up on exports which might assist North Korea's missile program; we also, as EU Presidency, supported other proposals at the (MTCR) Plenary in Madrid. The UK worked hard to try to make the Non Proliferation Treaty Review Conference a success, but it did not prove possible to agree a substantive Final Document. Nor was it possible to include language on non-proliferation and disarmament in the subsequent UN World Summit declaration, though the UK was widely recognised as a constructive player in the negotiations.

We successfully chaired the Biological and Toxin Weapons Convention meeting of experts in Geneva on codes of conduct for scientists. As EU Presidency we helped broker a deal to reach agreement on the Final Declaration of the Comprehensive Nuclear Test Ban Treaty (CTBT) Conference on Facilitating Entry Into Force. We also have continued to play a leading role in the Organisation for the Prohibition of Chemical Weapons, including maintaining effectiveness of its inspectors for challenge inspection, and the CTBTO including its efforts to build a verification regime.

1.4 UK support for the development of co-operative **threat reduction schemes**

A

The Gleneagles Statement On Non Proliferation renewed the G8's pledge to raise up to \$20 billion over ten years to 2012 for Global Partnership priorities, initially in Russia. It reaffirmed the principle that the initiative could be expanded to additional donor and recipient partners that support the Kananaskis documents. We secured funding from the Global Opportunities Fund to co-sponsor with the EU Commission a WMD pilot project that is intended to prepare the ground for the EU to make up the shortfall in its commitment of €1 billion to the Global Partnership during the next Financial Perspective. Under the UK Presidency theme of 'Pledges to Progress', G8 and other Global Partnership participants have conducted a lessons learned exercise to inform future project implementation. We have made notable progress in implementing UK programmes, for which the FCO has the policy lead. UK embassies in beneficiary countries have provided essential support and expertise to the Department of Trade and Industry (DTI), which is responsible for managing the nuclear elements of the programme, and the Ministry of Defence (MOD) which is responsible for chemical and biological projects. The UK completed two nuclear submarine dismantlement projects to time and cost. We completed to time and cost the major phases of a £15 million spent nuclear fuel storage facility at the Atomflot site in Murmansk. The UK led the negotiations which were instrumental in securing an additional £210 million of international donor aid to ensure the Chernobyl Shelter project can proceed as planned. We have developed and implemented a portfolio of construction projects for the Shchuch'ye Chemical Weapons Destruction Facility (CWDF). However, work remains to reorient the activity towards lower level radioactive sources. Together with MOD and DTI, we are now seeking a common budget for UK programmes.

SR04 PSA Target

PSA 2 To reduce the risk from international terrorism so that UK citizens can go about their business freely and with confidence



Indicator

Progress

Raised **awareness** of the scale and nature of the terrorist threat, leading to more robust action by the international community

Source of data
-for all PSA 2 indicators-

Post and OGD reporting. Discussions with the US and other key CT allies. Whitehall feedback through Cabinet Office-led TIDO process. Expressions of appreciation for our efforts from the Prime Minister, Home Secretary and Foreign Secretary. Supporting feedback from the evaluation and monitoring of our capacity building

A

Before the attacks of 7 July, the UK analysis of ‘3 tiered’ threat was supported by key international partners, including: EU partners, Australia and the US. Terrorists were detained in Pakistan and Afghanistan- and Jihadis detained en route to Iraq. Dialogue opened with key priority states and EU partners on UK analysis of radicalisation. Heavily influenced EU SitCen which continued to produce threat assessments and brief the EU Council Working Group throughout reporting period. The G8 Interior Ministers’ meeting in June endorsed UK-led global G8 threat assessment and commissioned further work on threat assessment at UK instigation. The G8 Summit issued a statement on CT describing the threat and framing CT strategy in CONTEST (the code name for the government's overall counter terrorism strategy) – friendly terms. The G8 Secure and Facilitated Travel Initiative is on course for completion by end 2005. For the second half of the reporting period, we were able - through Posts and in London - to translate international outrage and sympathy over the July attacks into concrete action by liaison partners and into substantial progress on the EU JHA agenda and at the UN (eg UNSCR 1624). We maintained the momentum through briefings to COREPER on the UK strategy and threat assessment, and organised a 7/7 briefing in London for G8, EU and other key international partners.

A clear determination of the scope for **preventive action** against terrorist targets overseas; effective decision-making mechanisms in place to authorise such action; and well co-ordinated capabilities for such action

A

There has been satisfactory progress, in cooperation with other Government Departments as part of a coordinated Whitehall process.

Evidence that UK interventions have helped develop political will and effective **counter terrorism capacities** globally

A

Political dialogue and operational capacity building in priority countries has helped to develop both will and capacity. ACT Police Adviser has been deployed to Saudi Arabia. A 4 man UK navy training team has been deployed to Aden to initiate a 2 year programme of training and development for the Yemeni coastguard, building on continuing work to improve capabilities of central Counter Terrorism Unit of Yemeni Armed Forces. There is enhanced and effective operational co-operation from Pakistan supporting investigations in UK, and enhanced co-operation from Saudi Arabia. Following lobbying and offers of assistance, the Philippines is drafting CT legislation based on UK model. The Indonesian police's CT unit accepted a UK-led reform package which will further develop UK-Indonesian co-operation. Philippines CT crisis management and hostage negotiation manuals were updated to follow UK standards following the Philippines participation in UK training courses..

Over the reporting period, we have developed advisory visits to priority countries to discuss the MANPADS (man portable air defense system) threat and identification of training needs.

The International Maritime sub regional seminar on maritime security for the Red Sea and Gulf of Aden has improved maritime security management capacity in the national authorities of those countries covered. There is also Improved co-operation with the Jordanians on aviation security.

Evidence that UK interventions have helped develop effective **international mechanisms** for countering terrorism, including for targeting terrorist financing

G

The UK is leading the development of UN AQ and Taleban Sanctions regime, securing good support from key partners, including the US. Security Council Resolution (SCR) 1617 agreed to strengthen regime. The UK proposed, drafted and secured agreement on Summit SCR extending UNSC work to cover incitement (SCR 1624). As G8 and EU Presidency, the UK is co-ordinating efforts to secure UN Comprehensive Convention on Terrorism (but no significant progress yet). The EU Presidency has been used to implement and refresh EU CT action plan. FCO-led achievements so far include: more effective asset-freezing, seminars highlighting terrorist financing, progress on Code of Conduct on charity regulation, and agreement on EU radicalisation strategy.

Reduction in the **vulnerability to terrorism** of UK citizens and interests overseas, including civil aviation and maritime vulnerabilities, through security enhancements by host nation, international action, and practical and credible advice

A

As G8 Presidency, the UK has led G8 delivery of the Secure and Facilitated International Travel Initiative, which is on course for completion by end 2005 and is having an incremental impact on raising aviation, maritime, border and travel documentation security. Through the Global Opportunities Fund (GOF), the FCO has funded work in priority countries to improve aviation security. . The Security Information Service for Business Overseas (SISBO) has produced proposals for an analytical team to be established with the FCO capable of providing security advice for British companies overseas. Discussion about possible private sector funding has been initiated. The terrorism section of FCO Travel Advice is continually updated to reflect events and changes in threat co-ordinated with maritime and aviation threat alerts to UK transport industry. All Diplomatic Posts overseas have a designated Post Aviation Security Officer (PASO) to liaise with the appropriate authorities and airlines, and to provide general advice on aviation security. Regional Aviation Security Liaison Officers (RASLOs) covering the Middle East, E & S Africa, N & W Africa, Central and S Asia and SE Asia & Pacific provide expert security advice, and develop and manage GOF-funded aviation security projects.

FCO contribution to the expansion of UK and international capacity to deal with the **consequences of terrorist attacks overseas**

A

FCO and Washington Embassy participated in a tri-nation exercise Atlantic Blue (UK, US and Canada) attended by observers from 9 other countries and the European Commission. Following Blue Channel tabletop exercise with the French in January, planning discussions were initiated with the Secretariat General National Defence (SGDN) for a joint CPX with the French in 2006 and a live exercise in 2007. At the UK-Russia Joint Working Group on terrorism in May, Russia agreed US proposal for a joint tabletop exercise. This will be held in December. Exposure to the UK model for visiting delegations from Kuwait and Egypt helped improve their understanding of how to prepare for a terrorist attack. Crisis management training for Malaysia, Philippines, Indonesia and Kenya is on-going. Thailand and Pakistan have requested UK crisis management training. Internally, we have done 3 overseas CT table-top exercises designed to test and improve Post response to terrorist incidents. A new cadre of Overseas Crisis Managers is being created: first training course week beginning 7 November.

Agreements with key states on the return of **national security deportees**

A

Memorandum of Understanding signed with Jordan and Libya.

Chapter 2

Protection of the UK from illegal immigration, drug trafficking and other international crime

This area of FCO activity covers performance against one of our PSA targets:

- | | |
|---|--------------------|
| 1. SR 02 PSA 1 (Opium in Afghanistan element) | Performance update |
|---|--------------------|

SR 02 PSA Target

PSA 1 Reduce the threat to the UK from international terrorism and the proliferation of weapons of mass destruction. Reduce international crime, drugs and people-trafficking affecting the UK, measured by Whitehall-wide targets. Contribute to the reduction of opium production in Afghanistan, with poppy cultivation reduced by 70% within 5 years and elimination within 10 years



Indicator

Progress

Contribute to the **reduction of opium production** in Afghanistan

Data source

Data on seizures is provided by the CNPA. Their current capacity is extremely limited, however, which can affect the accuracy of their information on the amounts of opiates seized. Data relating to activity on the ground is provided by the British Embassy Drugs Team (BEDT) based in Kabul. They in turn use a number of local sources and the information provided is judged to be reliable

G

- Five major seizures have been made as the result of UK assistance/intelligence exchange.
- Seven law enforcement offices have been established, run by the Counter Narcotics Police of Afghanistan (CNPA)

Afghan counter narcotics (CN) interdiction capacity is growing. The Afghan Special Narcotics Force (ASNF) has demonstrated over the last few months that it can surge its activity, reach even more remote regions and tackle most targets. The CNPA is developing several pillars to its interdiction capability – the National Interdiction Unit (NIU) and Mobile Detection Teams (MDTs) are seizing drugs and expanding. Regional Interdiction Teams will come on line next year. A considerable amount of raw intelligence relating to the Afghan drug trade is available. The UK and US are working together to ensure there is sufficient capacity to analyse it and develop it into useable operational intelligence product.

Chapter 3

An international system based on the rule of law, which is better able to resolve disputes and prevent conflicts

This area of FCO activity covers performance against four of our PSA targets:

1. SR 04 PSA 3 (Conflict Prevention)	Performance update
2. SR 02 PSA 2 (Reducing Regional Tensions)	Update where not covered by SR 04
3. SR 02 PSA 4 (Conflict Prevention)	Performance update
4. SR 02 PSA 7 (International Organisations)	Covered by SR 04 reporting

SR04 PSA Target

PSA 3 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. JOINT WITH THE MINISTRY OF DEFENCE AND THE DEPARTMENT FOR INTERNATIONAL DEVELOPMENT



While most of the indicators for this target are on course, there is slippage in some areas, leading to significant challenges to its achievement. The relevant countries are characterised by complex conflicts and post-conflict reconstruction tasks. Measurement against specific objectives for indicator countries show varied levels of progress, with positive steps forward in Afghanistan and the Balkans in particular, though peace remains very fragile in many parts of Africa, especially in Darfur. The period has also seen improvement in the ability of the UN to deploy and sustain better-trained peacekeeping forces. The agreement by UN members to establish a Peacebuilding Commission, for which the UK lobbied hard, is an important step in effort to improve international post-conflict peacebuilding. The UK has also played a lead role in galvanising support for African Peacekeeping.

This target is divided into two areas of analysis: Global Conflict Prevention Pool (GCPP)
Africa Conflict Prevention Pool (ACPP)

Indicator

Progress

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

Data source

Strategy Team from the Embassy, DFID and other sources, backed up by UN, NATO and media reporting

G

The UK has actively supported the UN's work preparing for the new Afghan Parliament, which was elected in September, and is engaging closely in support of the UN-led process devising a "post-Bonn" framework. This work will include new Afghan and international commitments, based around the Afghanistan National Development Strategy, and long-term support for security sector reform.

Substantial progress has been made: in demobilising, disarming and reintegrating 60,000 former militia members; and in reforming and building the capacity of the new Afghan National Army (ANA) where troop numbers now exceed 30,000. The ANA and Afghan National Police (ANP) now numbering 48,000, took the lead in providing security for the September elections. The GCPP also continues to fund the HALO Trust's weapons and ammunition destruction teams.

During this period GCPP has continued its niche support to the German-led police reform effort, having reviewed its scope to ensure the greatest impact. FCO and DFID have been working closely with United Nations Development Programme (UNDP) to help build capacity in the new Afghan parliament.

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

Data source

Data on the implementation of GCPP-funded projects comes from a variety of sources, depending on who is managing (i.e. UK posts, project managers in international organisations and charities), and is interrogated by the Departmental project sponsors

Data on the progress of Balkans states towards the PSA Target for SR04 is again assessed by Posts, and by international organisations such as the EU

A

The UK is providing considerable military, political and financial support, both multilaterally (through the EU and NATO) and bilaterally, to help the Western Balkans move closer to EU and NATO integration.

Significant stumbling blocks remain though, and while there is little imminent risk of violence, inter-ethnic tensions continue to surface. The UK is addressing these through efforts to reform the security and justice sectors, improve inter-ethnic relations and tackle organised crime.

In Kosovo, the UN led standards process is underway and Kai Eide's report on progress was delivered in October 2005. The UNSC has now agreed that this report will lead to the start, before the end of 2005/early 2006, of a process addressing the question of Kosovo's Final Status. The EU has successfully concluded feasibility studies for both Bosnia and Herzegovina (BiH) and Serbia and Montenegro (SaM) recommending that the EU start negotiation of a Stabilisation and Association Agreement. Negotiations began with SaM in October 2005 and following agreement on police reform, should begin with BiH before the end of the year. For Macedonia, an EU avis (on whether to award Macedonia formal EU candidate status and to set a date for accession negotiations) is expected in November 2005.

Example of FCO led GCPP activity: Provision of a Management Information System to the Ministry of Local Government Administration (MLGA) in Kosovo - This project aims to support standards implementation by setting up a standardised Management Information System (MIS) technology and deliver a sustainable training package. This will create professional and effective systems of reporting, monitoring, record management and communication across the Local Administrations.

DRC:

By end 2007-08:

Reduced cross border interference in Eastern DRC, 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)

Data source

EU monitors for election process. HMG and NGO reporting on security service. ISCR for number of IDPs. UN, HMG and NGO reporting on militia levels

A

The Transitional Government in Democratic Republic of Congo (DRC) has until June 2006 to successfully conclude the two core tasks of the transition: to organise free and fair elections; and merge various armed forces into a national army and demobilise those who want to return to civil life. Some progress is being made towards organising elections, from local to presidential level, but army integration is moving at a slower pace.

The ACPP is contributing to Security Sector Reform, in co-ordination with the EU, and is also supporting the South African led registration of Congolese army personnel. The Pool also funds the World Bank led regional disarmament, demobilisation and reintegration programme.

Iraq:

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 to all its people

Data source

Embassy/Consulate/DFI D reporting, DIS reports, opinion polls, the media, and contractors in the field, FCO SSR team, and GCPP Strategy Committee members

A

Despite attempts to disrupt the process by the insurgency, Iraq remained on course for a democratically elected, constitutionally-based Government by the end of this year. The Iraqi Transitional Government (ITG) expressed their commitment to completing the political transition within the timetable set out in UNSCR 1546, with an inclusive drafting process for the constitution and a constitutionally elected government in place by the end of 2005. International support for Iraq remained strong, with 87 countries and international organisations attending an international conference on Iraq in June.

The period has seen an increased number of insurgent attacks, against civilians, the Iraqi security forces and infrastructure as well as coalition targets. This has had an impact on Iraqi efforts to build up an able and effective civil service and also placed security constraints on project implementation teams.

A key priority remains Security Sector Reform. The Iraqi Police Service is developing a more capable police force, although more remains to be done in terms both of numbers and effectiveness. The GCPP funds International Police Advisers to mentor Iraqi Police and help with leadership and junior management training (13,500 police have received basic training) and assists the Iraq Ministry of the Interior.

There are basic functioning judicial and prison services, and the Iraqi authorities are gradually taking more effective control of these. A GCPP funded programme has trained over 600 Iraqi Corrections Service (ICS) officers to date, and trained the ICS to conduct their own training.

The UK is also training, monitoring and sustaining a number of Iraqi Army Battalions in the Multinational Division Southeast (MND-SE).

HMG has pledged £544 million for reconstruction in Iraq. A new £40m project is underway to rehabilitate power, water and fuel infrastructure in southern Iraq.

MEPP:

By end 2007- 8:

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

Data source

Reporting from diplomatic Posts and contacts with international partners

A

Following the Israeli disengagement from Gaza and the northern West Bank, which was carried out relatively smoothly in August/September 05, the international community continues to press both sides to make progress on the Road Map. The UK continues to give strong support to security sector reform work led by US General Ward, assisted by a GCPP-funded Military Liaison Officer and a military adviser, focusing on improving the performance of the Palestinian security forces, particularly through a major project aimed at reforming the civil police. The UK supports Wolfensohn's (the Quartet's representative) plans to resolve issues affecting the Palestinian economy. There were 95 Palestinian and 14 Israeli conflict-related fatalities in this period.

Example of FCO led GCPP activity: The establishment of a number of Palestinian Operations Rooms throughout the Occupied Palestinian Territories. Post in Jerusalem assesses that these projects have stopped some suicide bombers getting through to Israel and we believe that these projects have helped improve co-ordination between Israeli and Palestinian security forces.

Nepal:

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

Data source

Largely diplomatic reporting. However it is also supported by a conflict analysis, which has been independently verified by an academic with a long-standing interest in Nepal. Some of the information is corroborated by (or even drawn directly from) NGOs and human rights groups, such as ICG, ICRC, OHCHR etc

R

The King's efforts to consolidate his grip on power have reduced the prospects for peace. However, the Maoists have announced a cease-fire, which may bring an opportunity to reduce violence and potentially resume talks. The UK's diplomatic efforts focus on dissuading the King from dismantling the institutions and processes of democracy, which is critical for the foundation of any lasting peace process.

Example of FCO led GCPP activity: The new UN human rights monitoring mission in Nepal (OHCHR - part funded by the UK) has achieved some early successes in investigating and reporting on abuses on both sides and taking follow-up action. Although the King's restrictions on the media have made it difficult to get accurate figures there is anecdotal evidence that the OHCHR has been successful in holding the two sides accountable for their human rights abuses. The FCO has already begun delivering results during the reporting period. Following a major Maoist attack on the RNA, the OHCHR assisted the ICRC in brokering the release of some 60 RNA soldiers captured during attack. It has engaged both the Army and the Maoists and published its first human rights investigations in a way that the domestic National Human Rights Commission and ICRC were unable to. It has also begun monitoring RNA detention centres.

Nigeria:

By end 2007- 08:

Local and central government effectively managing and resolving conflict and a reduction in the number of people affected by conflict

Data source

HMG, Government of Nigeria and NGO reporting. For statistics on conflict related deaths, SIPRI and IISS

A

Too early to report on specific indicators. Baseline figures for 2004 are 52 conflict- related deaths (Stockholm International Peace Research Institute) and 1,350 (International Institute for Strategic Studies).

There has been significant communal fighting between Muslim and Christian ethnic groups in Plateau and Kano states since the late nineties, with communal fighting of a lesser magnitude in the Niger Delta Region.

The ACPP has supported co-ordination between government and civil society and funds ongoing work on inter-faith peacebuilding. The Pool is currently scoping the possibility of UK support to conflict prevention in the Niger Delta.

Sierra Leone:

By end 2007-08:

Ongoing stable and democratic government overseeing accountable security services and a reduction in regional militia

Data source

EU monitors for election process, HMG and NGO reporting on security services. UN, HMG and NGO reports on militia numbers¹⁶

A

Too early to report on specific indicators.

UK support to the Sierra Leone security sector, through the ACPP funded International Military Advisory and Training Team (IMATT), remains pivotal particularly in the context of UNAMSIL drawdown. Recent events in Cote d'Ivoire are unlikely to pose an immediate threat to Sierra Leone but do not bode well for regional stability.

Sudan:

By end 2007-08:

A fully implemented comprehensive peace agreement between the Government of Sudan and the 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

Data source

EU monitors for election process, HMG and NGO reporting. UN, HMG and NGO reporting on militia levels

R

The prospects for peace in Sudan remain fragile given the ongoing crisis in Darfur, instability in the East and the enormous challenge of implementing the North-South peace agreement.

The UK has provided technical assistance to Sudanese parties on disarmament, demobilisation and reintegration (DDR) planning in the North/South peace process and, on request, on demilitarisation issues in the Darfur process.

We have been taking the lead in discussions with other donors on the provision of support for the military security transition in Sudan through a multilateral International Military Advisory Team (IMAT). We will shortly proceed with providing this support, which will serve as a key resource in establishing the foundations for a longer term security sector reform programme, and supporting the Sudanese in their Comprehensive Peace Agreement Commitment (CPA).

By end 2007- 08:

All potential UN **peacekeeping missions** should follow the principles of integrated and comprehensive planning set out in the Brahimi Report 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

Data source

Data taken direct from UN website. Information on individual projects supplied by project managers

A

The UK continues actively to assist the UN Department of Peacekeeping Operations (DPKO) in implementing the Brahimi report on UN Peace Support Operations (PSOs).

All new UN Peacekeeping mandates now take account of the multi-dimensional nature of UN missions based on Brahimi principles. The most recent example is UN Security Council Resolution 1590 passed on 24 March 2005, establishing the United Nations Mission in the Sudan (UNMIS), which agreed a mandate comprising good offices and political support for the peace process; security; governance; and humanitarian and development assistance.

A joint study, part funded by GCPP and conducted by UN's Department of Peacekeeping Operations (DPKO), the UN's Executive Committee on Humanitarian Affairs and the UN's Office for the Co-ordination of Humanitarian Affairs has helped renew momentum behind DPKO's Integrated Mission (IM) Planning initiative. The key principles identified in the report were: more strategic planning and operational design; the "planning for an IM should follow the "function" - no one size fits all; need to strengthen mission leadership and accountability, and to give specific acknowledgement to humanitarian principles.

By end 2007- 08:
A 5% increase in the number of states contributing effective **peacekeepers** to regional and international Peace Support operations under a UN mandate, with adjustment where necessary for changes in the demand for peacekeepers

G

There are now 106 countries contributing a total of 67,000 peacekeepers to UN missions. This compares with February 2004 totals of 94 countries contributing 49,000 peacekeepers. G8 countries are on track to achieve their G8 Sea Island Summit target of training 75,000 peacekeepers (mainly in Africa) by 2010.

Data source

As above

By end 2007- 08:
Increased capacity in the **African Union (AU)** and sub-regional security organisations to manage peacekeeping missions

A

It is too early to report on specific indicators.

UK support has been instrumental in developing the concept of the Africa Standby Brigades at a conceptual and operational level. As follow up to Gleneagles the ACPP has also played a key role in co-ordinating donor resources and technical inputs on the ASF agenda.

Data source

Reviews of implementation of Joint G8/Africa Action Plan (Evian) and AU Common Defence and Security Policy; HMG, NGO and academic reporting

At a regional level, UK support is focused on the Economic Community of West African States, the Eastern Africa Stand-by Brigade and, where possible, the Southern African Development Community with the aim of achieving the initial establishment of regional brigade structures by the African Union's June 2006 deadline.

SR02 PSA Target

PSA 4 Improve effectiveness of the UK contribution to conflict prevention and management as demonstrated by a reduction in the number of people whose lives are affected by violent conflict and a reduction in potential sources of future conflict, where the UK can make a significant impact. JOINT TARGET WITH MOD AND DfID



The PSA target contains two distinct elements requiring measurement:

- The number of people whose lives are affected by conflict
- A reduction in the potential sources of future conflict.

Statistical data on fatalities, refugees, internally displaced people (IDPs) has been supported by narrative reporting to measure these elements across both the 'Global Conflict Prevention Pool' and the 'Africa Conflict Prevention Pool'.

Performance against this target has been presented in a different way to other PSA targets assessed in this report. The traffic light assessment method is still applicable.

Note on data collection: Based on latest statistics (2004)

- There is a delay on reporting against the target due to a time lag of one year before statistical data is available. Narrative reporting was therefore introduced as a way to report more effectively on progress against the targets.
- A final assessment on whether the PSA has adequately captured HMG's conflict prevention efforts will be made in autumn 2007 when data from 2006 is made available.
- There are inherent difficulties in disclosing and accurately measuring potential sources of future conflict.

Global Pool 2004 Data	Deaths SIPRI/JPR	Deaths IISS	Refugee Population UNHCR end-year 2004	IDPs Norwegian Refugee Council Global IDP Project
Baseline Figure 2000	7,071	19,200	3,722,192	1,363,636
Target for 2006	7,000	17,280	3,349,973	1,350,000
Afghanistan	1,741	1,550	2,084,925	200,000
Nepal	2,604	2,400	1,416	200,000
Macedonia	~	~	5,106	1,299
Georgia	27	50	6,633	240,000
Israel & Occupied Territories	485	870	351,281	350,000
Sri Lanka	19	100	144,055	347,475
Totals (Sept 2004)	G 4,876	G 4,920	G 2,563,416	G 1,338,774

The **Global Pool (GCPP)** is ahead on all four of its four sub-targets, marginally ahead on IDP figures and significantly ahead on fatalities and refugee figures. The statistics for 2004 are encouraging but should be considered in the light of the narrative sections below.

Afghanistan

Reducing fatalities in Afghanistan depends upon a range of factors; not least the re-establishment of rule of law and embedding a political process to succeed armed conflict as the principal means of exercising local and regional power.

In the run up to the parliamentary elections there was an upsurge of violence. Nevertheless, progress is steadily being made, through GCPP-funded projects such as support to police reconstruction, military reform and the Office of the National Security Council. These are designed to build capacity in key security structures, and help to establish long-term and sustainable security in which the rule of law is observed and the loss of life less frequent.

For example, the HALO Trust, supported by the GCPP are removing weapons and ammunition from circulation in support of the disarmament, demobilisation, reintegration and disbandment of illegal armed groups programmes.

Israel/Occupied Territories:

Israel's disengagement from Gaza/northern West Bank was carried out relatively smoothly. A spike in violence at the end of September interrupted an otherwise relatively calm period. The GCPP's security sector reform work continues to aim to improve co-ordination between the Israeli and Palestinian

security forces, including leading on a major project aimed at reforming the Palestinian Civil Police. There were 95 Palestinian and 14 Israeli conflict-related fatalities.

HMG continues to play an active role in attempts to seek a settlement of the conflict, through lobbying of the Palestinians and Israelis; by helping to build up the Palestinian security services; and by working to support Wolfensohn's plans to resolve issues affecting the Palestinian economy. GCPP funded the London meeting in March which helped set a framework for Palestinian actions pre-disengagement.

Nepal

The conflict has continued during this period although the recent Maoist ceasefire could be an opportunity to de-escalate the violence. Information provided by the GCPP-funded NGO Advocacy Forum was critical in establishing the case for and securing international agreement to the deployment of the UN human rights monitoring mission (OHCHR).

Macedonia

While there are low numbers of refugees and negligible conflict deaths in Macedonia and there has been substantial progress on the political settlement, the potential for inter-ethnic violence still exists. The GCPP aims to re-build links between the ethnic communities, reducing one of the key sources of tension and potential violence and is a major factor in reducing numbers of IDPs and refugees. In particular, a number of GCPP policing projects aim to reduce the suspicion of ethnic bias by the authorities.

Macedonia is progressing steadily towards its political goals in spite of the challenges. The UK has supported the Ohrid agreement implementation by providing political assistance and input through the EU's Special Representative (EUSR) and his office. The EUSR is responsible for overseeing the implementation of the Ohrid agreement. HMG has seconded a British Political Advisor to his office to help with this process.

Sri Lanka

The conflict environment in Sri Lanka remains difficult. Low-level violence and the assassination of the Foreign Minister have put the ceasefire under increasing strain. Through innovative programming and a joint donor conflict assessment, the GCPP is developing new thinking and practice in several areas key to the conflict dynamics – access to justice, security sector reform and human security.

Example of FCO led GCPP activity: Saferworld: Assistance to Small Arms and Light Weapons Commission. Ongoing project. This programme provides support to the establishment of the National Commission Against Proliferation of Illicit Small Arms and Light Weapons in Sri Lanka and in particular the inclusion of NGO and Civil Society groups in a mainly government body. Small Arms proliferation and organised crime are on the rise in Sri Lanka, a by-product of the conflict. The aim is to ensure that the Commission can take a proactive role in developing effective counter proliferation measures and fulfil Sri Lanka's international commitments.

Georgia

There is some scope in the Georgian/Abkhaz conflict for limited progress as the two sides re-engage under the Geneva process. GCPP's projects continue to support dialogue and awareness across the conflict divide.

Example of FCO and DFID led GCPP activity: The GCPP is continuing to support Conciliation Resources' project "Promoting Conflict Transformation and Peacebuilding in the Georgian-Abkhaz Conflict". The UK's Special Representative for the South Caucasus, Sir Brian Fall, who is also funded through the Russia-CIS Strategy continues to work closely with the governments in the region. Raising understanding between the respective sides at all levels, it continues to contribute towards the existing peace and build towards a future resolution.

Africa Pool 2004 Data	Deaths SIPRI/JPR	Deaths IISS	Refugees Population UNHCR end-year 2004	IDPs Norwegian Refugee Council Global IDP Project
Baseline Figure 2000	6,500	47,500	2,375,000	10,250,000
Target for 2006	5,200	38,000	1,900,000	8,200,000
Sierra Leone	~	~	41,801	~
DRC	~	4,000	462,203	2,170,000
Rwanda	26	~	63,808	~
Uganda	1,600	1,000	31,963	2,030,802
Burundi	415	1,000	485,764	117,000
Sudan	3,247	50,200	730,612	6,000,000
Angola	25	50	228,838	91,240
Nigeria	52	1,350	23,888	200,000
Totals	A 5,365	R 57,600	A 2,068,877	R 10,609,042

The Africa Pool (ACPP) is on course to meet two of its four statistical sub-targets with major slippage in IDP figures and IISS fatalities largely due to the situation in Western Sudan.

Trends in Africa show an overall reduction in violent conflict, but with ongoing instability (e.g. as in Cote d'Ivoire and Darfur); numbers of deaths have climbed again and IDPs show a similar increase, largely due to events in Darfur.

Following the UK chairing of the G8 Summit, there has been increased impetus behind the Pan-African programme of support to the African Union (AU). The UK has been encouraging greater dialogue between the AU and G8 partners on the peace and security agenda. The ACPP has also responded to AU conflict prevention priorities by supporting the development of a detailed roadmap for a Continental Early Warning System and also by supporting the design and planning of the Africa Standby Force. The ACPP is also a major donor to the African Union Mission in Sudan (AMIS) peacekeeping mission in Darfur.

The ACPP remains the main vehicle for UK support to conflict prevention in Africa. Work is ongoing at regional and country levels to support demilitarization and peacebuilding and to build the capacity of African countries to undertake Peace Support Operations. The situation on the ground – in Sudan, the Great Lakes and parts of West Africa – remains highly volatile. However the ACPP has resources to support effective conflict prevention work as the political and security situations improve.

Data sources:

2004 Refugees Statistics for the SR02 Joint Pools PSA

Source: <http://www.unhcr.ch/cgi-bin/texis/vtx/statistics>, UNHCR 2004 Global Refugee Trends, Table 3, Refugee Population and Changes by Origin, 2004, Population Total end-year column, from the UNHCR web-site.

2004 IDP Statistics for the SR02 Joint Pools PSA

www.idpproject.org and www.refugees.org

Figures taken from the Global IDP project (Norwegian Refugee Council) rather than the United States Committee for Refugees, who supplied the baseline figures. This was agreed in the SR02 Technical Note.

Stockholm International Peace Research Institute (SIPRI) Yearbook data and International Institute for Strategic Studies (IISS) Military Balance data will be used to measure conflict fatality numbers above 1000. To include fatalities below 1000, data from the States in Armed Conflict Report, University of Uppsala (who produce SIPRI's data) and the IISS Small Conflicts Database (to be launched publicly in January 2003) is also included in the baseline/targets.

SIPRI Estimated Battle Related Deaths for 2004

<http://www.pcr.uu.se/database/basicSearch.php>

The Pools have used figures from [Department of Peace and Conflict Research](#), Uppsala University Database. The Uppsala database statistics is used to compile SIPRI yearbook. For the Pools PSA Return, the 'best estimate' or higher figures for 2004 are being used.

SIPRI figures are produced retrospectively in the autumn after the year being measured. The latest figures available are for 2004.

IISS Estimated Battle Related Deaths for 2004

http://acd.iiss.org/armedconflict/MainPages/dsp_CountryList.asp

The Pools have used figures from the IISS Armed Conflicts database.

SR02 PSA Target

PSA 2 Reduce tension in South Asia, the Middle East, Balkans and elsewhere through action with our international partners, paying particular attention to regions at risk from nuclear confrontation



Indicator

Progress

India and Pakistan

A

Data source

Diplomatic and open source reporting, validated through our High Commission in India and Pakistan, and experts within the FCO

The Composite Dialogue between India and Pakistan has now completed two rounds. It remains broadly on track. President Musharraf and Prime Minister Singh met in New York on 14 September 2005. A bus link, inaugurated in April 2005, allows Kashmiris from either side to cross the Line of Control, and an agreement on formal pre-notification of ballistic missile tests has been concluded. Through diplomacy in capitals and high level bilateral meetings, including at Prime Ministerial level in September 2005, the UK continues to encourage both India and Pakistan in their Dialogue with the aim of reaching a durable solution of all their outstanding issues, including Kashmir.

Sri Lanka

R

Data source

From a wide variety of HMG and external sources – diplomatic reporting, official and Ministerial contacts, press and other open source reporting. Data validated by sharing of analysis with a wide range of interlocutors

There are no prospects of a final settlement followed by free and fair elections in the north and east by March 2006. The ceasefire agreed in 2002 continues to hold but there have been no direct talks between the Sri Lankan Government and the Liberation Tigers of Tamil Eelam (LTTE) since 2003. The ceasefire is under strain with low level violence in the east involving the LTTE and the breakaway Karuna faction. The assassination of Foreign Minister Kadirgamar on 12 August has further heightened distrust. The post-tsunami aid mechanism (P-TOMS) referred to in the previous review is not operational – it remains subject to a legal challenge. The Sri Lankan Government is now a minority one. Presidential elections will take place on 17 November. Parliamentary elections may follow. Given this uncertainty it is highly unlikely there will be an improvement in the political situation in the short term.

FCO efforts bilaterally, with EU colleagues and other international partners (with the main aim of supporting the efforts of the Norwegian peace facilitators) have focused throughout the reporting period on urging both sides to end violence and fully implement the ceasefire agreement. During the first part of the reporting period we also worked to encourage all sides to sign the P-TOMS agreement. They did so in June but the agreement was immediately put on hold by a legal challenge. Since assuming the EU Presidency the FCO has been active in promoting a robust international line particularly towards the LTTE in order to get them to change direction and open up the prospects for peace. The FCO contributed substantially to Tokyo Co Chair and EU statements on 19 and 26 September respectively. The latter, banning LTTE delegations from visiting EU countries, appears to have had an impact on the LTTE.

Middle East Peace Process

A

Data source

Assessment made on the basis of HMG reporting and reports from international organisations, NGOs and media

Dialogue underway but no progress has been made on political negotiations as set out in the Roadmap. Following the first ever meeting between President Abbas and Israeli Prime Minister Sharon in February 2005 both sides took some actions to end violence and implement a set of short term confidence building measures. They met again on 21 June in Jerusalem but the summit highlighted the lack of progress. Co-ordination at the working level was stepped up in the final weeks before disengagement. Practical co-operation over disengagement itself was better than expected. We continue to work bilaterally, as EU Presidency (since July 2005) and with Quartet Partners to encourage dialogue between the two parties and progress on their Roadmap and Sharm El-Sheikh commitments.

Israel, Syria and Lebanon

R

Data source

As previous

There has been periodic low intensity violence across Israeli-Syrian and Israeli-Lebanese borders. Remarks by Syrian President about renewing negotiations and making peace with Israel have come to nothing. Israel has focused on disengagement rather than aiming at simultaneous progress on the Palestinian and Syria/Lebanon tracks.

Angola

A

Political dialogue underway. Electoral legislation passed in 2005 and in the process of implementation. Legislative elections expected to take place in 2006.

Pan-Africa: no new cross border inter-State conflict in Africa during the Spending Review period

G

New cross border inter-State conflicts have been averted during the reporting period. African Peace and Security formed an integral part of the G8 action plans agreed at Evian (2003), Sea Island (2004) and Gleneagles (2005). We are continuing to work with our international partners and the Africans to ensure that all of our commitments are met.

Chapter 4

An effective EU in a secure neighbourhood

This area of FCO activity covers performance against four of our PSA targets:

5. SR 04 PSA 4 (EU)	Performance update
6. SR 04 PSA 5 (EU Security)	Performance update
7. SR 02 PSA 3 (EU Security)	Covered by SR 04 reporting
8. SR 02 PSA 8 (EU)	Covered by SR 04 reporting

SR04 PSA target

PSA 4 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 NATO



Indicator

Progress

Priority dossiers for UK well prepared for the UK Presidency as a result of effective coordination with Irish, Dutch and Luxembourg Presidencies

Data source

Internal judgement
(See text box opposite)

G

Priority dossiers on the EU inherited agenda were carefully co-ordinated with preceding Presidencies. This work was led by FCO, UKRep and Cabinet Office. As a result of the French and Dutch “No” votes and the failure of the Luxembourg Presidency to reach a deal on future financing, the debate on the future of Europe and the future financing negotiations rose to the top of our Presidency agenda at a late stage in our preparations. Nevertheless, we moved forward effectively on both. In the first three months of our Presidency we made steady progress on most of our Presidency priorities and did the bulk of the preparatory work leading to the successful opening of enlargement negotiations with Turkey and Croatia in early October. We also held a successful Informal Summit at Hampton Court in October.

Data source notes

Judgements on the quality of our policy preparations for the Presidency are intrinsically internal at this stage, given that most of the outputs will not be delivered until the final stages of the Presidency. Informal feedback from the European Commission, the European Parliament and EU partners suggests that our preparations have been thorough, but there is widespread reserving of judgement until it is known whether we will deliver progress on the big ticket issues of future financing and the future of Europe. On the logistical and organisational side, comparing notes with previous Presidencies has supported the judgement that we are on track.

Robust and cost-effective arrangements for a successfully run UK Presidency in place well ahead of 1 July 2005

Data source

As above

G

Detailed arrangements for all the FCO-led events in the first half of the Presidency were in place by 1 July and budgets were carefully monitored. Between the start of the Presidency and 30 September the FCO delivered a series of well-organised events including the visits to London of the European Parliament and Commission, the Foreign Ministers' Informal and an EU-Russia Summit. The FCO has also played an important role (with Cabinet Office) in supporting and advising other Government Departments on their Presidency events and sharing lessons learned, eg on IT problems experienced at the Foreign Ministers' Informal. The (FCO-run) Presidency website went live on 27 June and is the key source of information about the Presidency for our external stakeholders

Strong UK input to the development of the EU's crisis management capacity, both military and civilian and the civil-mil interface, leading to a more operational, capable ESDP working in closer co-operation with the UN, NATO and OSCE

Data source

Political reporting from posts (e.g. on Aceh); Political and Security Committee and other working group discussions and official records. Council conclusions. Commission-sourced budget figures

Assessment validated by relevant FCO departments

G

Since 1 April, new missions have been launched in Aceh (working with ASEAN), Sudan (working with African Union) and to train Iraqi rule of law practitioners. Strong UK policy input into development of new missions including the FCO and MOD playing a key role in launching new peace monitoring mission in Aceh. UK personnel in priority missions: Iraq – UK head of mission in Baghdad, UK leading military mission in Bosnia and preparing for review later this year. However, further missions will be constrained by a limited Common Foreign Security Policy budget. The size of budget does not match political ambitions.

The UK (FCO/MOD) – in conjunction with two succeeding Presidencies – issued a non-paper setting out an 18 month work programme on increasing civilian-military co-ordination. The UK is also leading the development of a comprehensive planning concept.

An enhanced **EU role in tackling terrorism, WMD, crime, drugs and corruption**

(including action with third countries, particularly neighbouring countries/regions), as a result of UK lobbying

Data source

As above

A

There is robust WMD and counter terrorism language in relevant action plans and third country agreements where appropriate.

Implementation of external elements of counter terrorism action plans has continued including strong support for increasing UN role on CT, developing engagement with priority third countries and the beginning of a productive dialogue on CT at EuroMed. Enhanced focus on counter terrorism within the EU through discussions in the Committee of the Permanent Representatives (Coreper) and for UK priorities for implementation (e.g. July JHA Council)

Implementation of WMD strategy, however, slowed down by lack of funds in CFSP budget for example for projects with Organisation for the Prohibition of Chemical Weapons (OPCW) etc. UK Presidency leading debate on budget to seek to resolve budget pressure in long term.

EU consensus in support of “E3” (France, UK, Germany) lead helps to produce IAEA board resolution condemning lack of Iranian cooperation on nuclear programme.

Evidence of enhanced EU role in achieving foreign policy objectives, and a more capable, coherent and robust CFSP through implementation of the European Security Strategy, as a result of UK leadership

Data source

As above

G

Middle East

Strong UK role, primarily FCO, in driving forward increased EU engagement including:

- EU active member of quartet for **Middle East Peace Process** providing clear support to the Special Envoy Wolfensohn for disengagement (including through role of the EU’s special representative).

- **Lebanon/Syria** :continued EU support for the implementation of UNSCR 1559, including through the deployment of an EU election observer mission for May/June Lebanese Parliamentary elections.

- **Iraq**: 9 June EU Troika Visit, in which External Relations Commissioner Ferrero-Waldner reiterated her commitment to open a delegation office in Baghdad. EU-Iraq political declaration agreed, setting framework for enhanced political engagement and cooperation. EU support for Iraq constitution process helps to deliver more inclusive draft constitution; training for judiciary and policy ongoing.

Africa

- On **Sudan**, the EU has been at the forefront of international assistance backing up efforts led by the AU to address the crisis in Darfur.

- EU agreed to the strengthening of sanctions on Mugabe's regime following slum clearances in **Zimbabwe**.

Former Soviet Union

- New Special Representatives appointed for **Central Asia and Moldova** providing a clearer focus for EU efforts. Latter has led to stronger role for the EU in relation to the Transnistria conflict, including prospective border mission, and EU gaining observer status at talks on Transnistria - Conclusion of EU-**Russia** Four Common Spaces. Energy dialogue with Russia reinvigorated.

US

- effective EU coordination, and Presidency/Commission coordination with US enables delivery of EU support to Hurricane Katrina relief effort – FCO played major cross Whitehall and EU coordination role).

Asia

- Summit with **China** agrees partnership on climate change, with agreement to work on a clean coal demonstration plant;
- **India** Summit launches first Action Plan with commitments to cooperation across the range of international issues, and a partnership on climate change, energy and development.

Movement towards a long-term resolution of the **Gibraltar** dispute 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

A

The trilateral (UK-Spain-Gibraltar) dialogue, launched in 2004, handles most Gibraltar issues. It is enabling productive and useful discussion on a range of business, focusing primarily on Gibraltar airport, the frontier and the fence, pensions and telecommunications, but also taking in cross-border environmental co-operation, co-operation in cultural and sporting matters and police and judicial co-operation. Over the same period talks have been held between the UK and Gibraltar on the proposals from the Gibraltar Assembly to revise Gibraltar's constitution. The talks have not yet concluded but there has been a wide measure of agreement on specific revisions to all the main chapters of the existing Constitution.

Data source

FCO judgement

Use December 2004 European Council decision to open accession negotiations with **Turkey** further to tie that country to measurable improvements in economic performance, human rights, and JHA issues (drugs, asylum), or minimise the damage in these and other areas from a negative decision

G

London and our network of Diplomatic Posts (especially Ankara, Brussels and Nicosia, but also including other parts of the EU and broader network) have worked hard to deliver the opening of accession negotiations with Turkey, which took place as planned on 3 October. This has involved:

- Regular contact with the Turks on proposed EU texts (including a Prime Ministerial meeting and subsequent telecons; regular Foreign Secretary meetings and telecons; HMA Ankara and other senior UK official contact with Turkish counterparts);
- Regular lobbying of Partners/European institutions (including by the PM and by the Foreign Secretary);
- Devising and selling of new texts;
- Reiteration of the strategic case for Turkish accession in speeches, other public appearances and meetings.

Data source

Ankara reporting, as well as being drawn from detailed discussions between the Foreign Secretary/Foreign Minister, HMA Ankara/senior Ministers & officials and other senior UK officials' discussions with Turkish counterparts

However, the process of getting to 3 October was difficult, and subsequent progress may be slow. Nevertheless, our contacts with senior Turks during 2004 and 2005 leaves the UK well placed to advise and to press for progress. We have continued medium-level engagement with the Turkish authorities on Justice and Home Affairs (JHA), regional and pol-mil issues, and have continued to monitor developments in the human rights and economic fields. We will now intensify this through a fresh programme of bilateral activity.

Better **integration** of new EU members into European security, economic, social and Justice and Home Affairs (JHA) system(s) as a result of UK interventions

Data source

Home Office reporting.
Records of Council and working level discussions in Brussels and reports from FCO's EU network

G

New Member States (MS) actively supportive of the Lisbon economic reform agenda, and have given it new impetus.

New (and old) members are implementing EU JHA measures in a way which benefits the UK. They apply minimum standards in EU asylum policy, reducing the pull factor to the UK and allowing us to return asylum seekers who have already claimed in new MS under the Dublin II / Eurodac system. Numbers of returns are substantial.

New (and old) member states now apply measures like the European Arrest Warrant (EAW). The number of successful EAWs issued by the UK is growing.

The UK Presidency has initiated the Schengen Evaluation process to measure the readiness of the 10 New Member States against the Schengen Acquis. Experts visits will continue until December 2006, with a target date for entry into Schengen of January 2007.

Stronger EU relationship with **Russia** as a result of UK interventions that leads to more joint activity to improve security in third countries/regions, in particular those areas contiguous to the enlarged EU

Data source

Data taken from ongoing UK and EU reporting on this issue

A

As Presidency of the EU, the UK helped put together arrangements allowing an EU border monitoring mission to be launched on the Moldovan-Ukrainian border. We have worked to ensure that the EU Special Representative on Moldova has maintained close contact with the Russians, which has helped persuade them not to obstruct this decision. More importantly, close contact with the Russians and regular briefing of our plans has resulted in them agreeing, as one of the parties to the five-sided talks on Transnistria, to allow the EU and US to participate in the talks as observer, a long-standing EU objective.

Progress in other areas of the Common Neighbourhood, however, remains stalled.

Ratification 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

(Indicator no longer relevant)

It is not possible to predict when or whether the Constitutional Treaty will come into force.

Agreement on **EU financing** arrangements for 2006-13 which keeps spending at 1% of EU GNI, reforms regional policy, and protects the UK's net financial position

A

No agreement at June 05 European Council on the next Financial Perspective. The UK is taking the negotiation forward as Presidency. We are committed to trying to reach agreement at the December 2005 European Council, but this will not be easy.

Data source

From Ministerial/UKRep readouts of the European Council, Post reporting of Member State reactions, and from our recent contacts with other Member States during the bilateral consultation process on future financing

Ongoing reform of Common Agricultural Policy (**CAP**)

A

Data source

As above

While the 2002 and 2003 CAP Reform were substantial, the CAP continues to be unacceptably costly and economically distorting, and further reform is needed. Public awareness of the CAP debate is now much higher, following the June European Council and the Prime Minister's speech at the European Parliament. Member States have showed some openness to a broader debate about CAP reform over the medium term. Commission has now published proposals for sugar reform, so we will be working towards a deal at the November Agriculture Council.

JHA arrangements in which UK participates when it wants to, and which are compatible with and enhance UK's own approach to eg asylum and immigration issues

A

The UK has continued to exercise its right to participate (or not) in EU asylum and immigration measures under its Title IV and Schengen Protocols. However, the UK has been excluded from the Borders Agency and Biometrics in Passports regulations. We have challenged exclusion in the European Court of Justice. This is unlikely to be resolved before 2007.

Data source

Reporting from UKRep and other FCO Posts; contacts by Ministers & senior officials in Home Office, FCO & elsewhere

The UK Presidency has give momentum to EU policies on migration in external relations, including closer operational co-operation with North Africa to reduce illegal immigration, and with Eastern Europe and Sub-Saharan Africa to tackle refugee problems in countries of origin and transit.

A **Lisbon process** which visibly generates political momentum behind economic reform, and which produces better European economic performance

Data source

Records of Council and working level discussions in Brussels and reports from FCO's EU network

A

The March 2005 European Council revived the EU's commitment to a Lisbon process, focussed on "jobs and growth" and agreed streamlined governance arrangements for it. The June European Council endorsed this focus. The new Commission has made good progress in many areas of importance, for example Better Regulation, but movement in Council on the important dossiers like the Services Directive remains slow.

Greater domestic **awareness** of EU issues and a more mature debate about them

Data source

Eurobarometer, YouGov Polls, UK media

G

Following rejection of the EU Constitutional Treaty by referendums in France and the Netherlands, the focus of our EU communications efforts has been redirected to complement the future of Europe debate in the UK.

A new communications strategy is in place and some existing work has been re-focussed, including marketing materials and a dedicated website on Europe issues. Communications with stakeholders on EU issues continue. Distribution of the EU Guide has also continued although demand has fallen recently. The latest Eurobarometer indication on knowledge of the EU shows the UK rising from a score of 4.02 in July 04 to 4.1 in late May-June 05 (10 indicates high level of knowledge), though this remains slow by European standards.

Since the referendums in France and the Netherlands, UK media coverage of EU issues has increased which may account for the rise in public awareness of the EU. Media coverage has been relatively positive in the same period, as the debate shifted towards the Prime Minister's leading role in determining the Future of Europe, and as the UK took over the EU Presidency. This may not be sustained throughout the Presidency.

SR04 PSA Target

PSA 5 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. JOINT WITH THE MINISTRY OF DEFENCE



Indicator

Progress

A more efficient and effective NATO

A

Data source

Data has been obtained from MOD, FCO Posts (principally UK delegation to NATO), FCO London, NATO Allies and NATO. We have agreed our responses with MOD and the UK Delegation to NATO

Afghanistan: There is now political and military consensus on ‘greater synergy’ between the two missions. The FCO played an important role in achieving this - through UK Delegation to NATO and bilateral embassies - by engaging Allies.

NATO Response Force: The UK has met its commitments and is playing a leading role in support of the NATO Response Force reaching full operational capability.

‘Usability’ of military forces: UK – through the UK Delegation to NATO - has been an active champion of the Usability initiative. Usability targets have been agreed and were published most recently in the Defence Ministers’ Communiqué in June 2005. There are indications that some Allies are using the targets to support national force development and transformation.

Managing the Alliance: A new cost share mechanism was agreed in July 2005, with a major UK role in negotiations. This will lead to savings in FCO and MOD budgets starting in 2006. FCO played a major part in negotiating this deal. The Vahr review on HQ structures and processes will report to Foreign Ministers in December. New HQ project on track.

Russia will participate in an Article 5 operation – Operation Active Endeavour – for the first time in 2006. Although the Status of Forces Agreement with NATO was signed in April 2005, it has yet to be ratified by the Duma. This is a key requirement for deeper practical military co-operation, in particular the NATO-Russia Council programme of interoperability exercises. The UK – through the UK Delegation to NATO - is continuing efforts to enhance NRC political dialogue to underpin practical co-operation.

Partnership building: The UK supports the requirements for countries involved in the Intensified Dialogue (ID) and Membership Action Plan (MAP) process. Applicants for membership and Partnership for Peace programme (PfP) need to meet NATO standards and fully meet any International Criminal Tribunal for the former Yugoslavia (ICTY) concerns. The FCO has been at the centre of emerging Allied discussions about improving NATO partnership programmes. FCO Posts have also played a key role encouraging ID and MAP countries to focus on reform.

A more coherent and effective European Security and Defence Policy (**ESDP**)

Data source

Data is sourced from the UK Representation in Brussels and includes e.g. records and conclusions of GAERC and PSC meetings as well as Secretariat reports and action plans. Validation through discussions with other stakeholders

G

The UK has successfully taken forward its ESDP agenda in the Presidency. It is promoting greater civilian and military co-ordination through its comprehensive planning concept. The UK is supporting development of a more operational ESDP through its support for the Aceh monitoring mission (first mission in Asia, with ASEAN states and peace monitoring mission), and driving EU capability improvement through its support for a rigorous Headline Goal 2010 and an effective Civilian Headline Goal process. The FCO has played an important role in all of these through contacts by the Representation to the EU, bilateral Embassies and FCO London with EU member state and EU institutions.

The UK is making an important contribution to both military and civilian ESDP operations. In Bosnia it is providing over 50 police officers, over 700 troops and the force commander; in Aceh it provided planners and monitors; it has also provided personnel for EU missions in Africa, Macedonia and for training of Iraqi police. The UK played an important role in ensuring that EU external action in Darfur made an effective contribution, in particular by ensuring good co-ordination between EU and NATO support. It has promoted EUFOR as a successful example of EU-NATO co-operation. The UK has also supported the establishment and work of the civ-mil cell. The FCO has contributed by ensuring - through the UK representation to the EU, bilateral Embassies and FCO London - that ESDP missions are properly planned, resourced and executed. It has recruited UK personnel to participate in EU missions.

The UK has strongly supported the development by the EU of relationships in crisis management with other organisations. The EU successfully held a joint-exercise with the UN in April on modalities for co-operation. Post tsunami follow-up work has also emphasised the UN's role. Recent agreement on the NATO liaison cell to EU Military Staff and on the EU liaison cell to the Supreme Headquarters Allied Powers Europe (SHAPE) should enhance NATO/EU crisis management co-operation.

The UK Representation to the EU and FCO London - through contacts with EU member states have been instrumental in helping shape EU thinking on all of the above issues.

Enhanced **European defence** capabilities

G

Data source

Data is sourced from the UK Representation in Brussels and includes e.g. records and conclusions of GAERC and PSC meetings as well as Secretariat reports and action plans. Validation through discussions with other stakeholders

The UK has played a key role - in influencing the European Defence Agency's (EDA) agenda. The agenda is currently focusing on how EU governments can better co-operate on improving Command, Control and Communications capabilities, armoured fighting vehicle and UAV programmes and on achieving a more open and competitive European Defence and Equipment Market. The FCO has played a key role - through FCO London, UK Representation to EU and bilateral Embassies – in the negotiations on the EDA, in particular concerning its establishment.

The Luxembourg Presidency delivered the interim Headline Goal Requirements Catalogue, listing the capabilities needed for ESDP. The UK Presidency will now deliver the finalised version, validated with computer-assisted operational analysis. UK engagement has ensured that this process is supported by NATO operational analysis and defence planning facilities. NATO allies are currently on target to meet around 80% of their Prague. Capabilities Commitment (PCC) targets. However, the remaining 20% may prove more difficult as they include expensive programmes such as air-to-air refuelling. The FCO played a key role in ensuring the use of NATO planning tools through lobbying and engagement by bilateral embassies, the UK Delegation to NATO and the UK Representation to the EU. The FCO has similarly played a role in securing commitments by Allies and EU members to improve their capabilities.

Agreement was reached in November last year for member states to form a total of 13 Battlegroups (BG), with two on standby on a rotational basis from 2007. The UK continues to work to translate these declared commitments into usable capabilities, e.g through a workshop in December, providing advice on key issues of BG deployment. A Battlegroups Coordination Conference is planned under our Presidency to fill further gaps in the Battlegroups roster. The FCO through its bilateral Embassies, the UK Representation to the EU and contacts between FCO London and member states has been instrumental in encouraging commitments to the BG roster.

Chapter 5

Promotion of UK economic interests in an open and expanding global economy

This area of FCO activity covers performance against three of our PSA targets:

- | | |
|---|----------------------------|
| 1. SR 04 PSA 6 (UK Trade and Investment) | Performance update |
| 2. SR 02 PSA 5 (UK Trade and Investment) | Covered by SR 04 reporting |
| 3. SR 02 PSA 7 (Economic Governance elements) | Performance update |

SR04 PSA Target

PSA 6 By 2008, deliver a measurable improvement in the business performance of UK Trade and Investment's 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. JOINT WITH THE DTI



It is important to note that responsibility for PSA target 6 lies with UK Trade & Investment. For more detailed information on this target and performance against the following indicators, please see UK Trade & Investment's Autumn Performance Report.

Indicator

Progress

At least a 30 percentage point increase by 2007-08 in the proportion of UK Trade & Investment trade **development resources** focused on new-to-export firms

A

Focus continues on shifting trade development resources to new-to-export firms and the required resource transfer can be achieved. (Note that this increase is against a backdrop of declining trade-side expenditure, as resources are switched to inward investment. The net effect is that funding to new-to-export companies will remain broadly unchanged in real terms).

Data source

Data regarding the proportion of expenditure focused on new-to-export firms will be collected for each year of the SR2004 period

At least 40% of new-to-export **firms assisted** by UK Trade & Investment improve their business performance within 2 years

G

Q2-Q3 2005 cumulative figures (April-September) show 40% of new-to-export firms reported improvement in performance following UK Trade & Investment intervention.

Data source

Performance measurement survey and analysis carried out by external consultants; the Reading Business Group, Reading University

In line with the SR 2004 settlement, the focus of UK Trade & Investment's trade development resources in the English regions will continue to be targeted on new-to-export firms, and the overseas network is increasing efforts to help these companies.

The issue of the balance of resources between trade and investment will be considered further in the light of the outcome of an economic study into the relative benefits of UK Trade & Investment's trade and investment activities, which was set up under the terms of its 2004 Spending Review settlement.

At least 50% of established exporters assisted by UK Trade & Investment improve their **business performance** within 2 years

G

Q2-Q3 2005 cumulative figures (April-September) show 50% of established exporters reported improvement in performance following UK Trade & Investment intervention.

Data source

Data is collected and monitored through performance measurement survey and analysis carried out by external consultants; the Reading Business Group, Reading University

UK Trade & Investment continues to provide information, advice and support through its UK and overseas networks, to help established exporters make better-informed decisions and contacts in overseas markets.

Improve the UK's **ranking** within Europe in terms of the GDP adjusted stock of EU foreign direct investment based on the UNCTAD World Investment Report

G

United Nations Conference on Trade and Development (UNCTAD) report, September 2005, confirms UK remains the number one inward investment destination in Europe. UK's GDP-adjusted ranking has increased from a revised ranking of 13th in 2003 to 11th in 2004.

Data source

Data is taken from the UNCTAD World Investment Report and online FDI database. Rankings exclude Belgium and Luxembourg because of recent issues with FDI data for these countries

UK Trade & Investment, in conjunction with the RDAs and the trade promotion organisations in the devolved administrations, is responsible for the Government's promotion of the UK as an attractive inward investment destination.

374 (in 2005-06), 440 (in 2006-07) and 524 (in 2007-08) successful **inward investment** projects secured by UK Trade & Investment in each year of the Spending Review of which 75% are knowledge driven

A

230 successes - ahead of target - reported in Q2 2005-06 by Posts. 74% of the successes were knowledge driven (71% in Q1 2005-06) against 75% target.

Data source

Data is based on the electronic project tracking system, using definitions of success agreed by the Committee on Overseas Promotion (COP), a joint UK Trade & Investment Inward Investment and (R)DA committee. The DTI Internal Audit team and the National Audit Office validate results

Inward Investment overseas teams are actively pursuing new knowledge driven projects with the aim of securing the overall target of 1338 successes by 2007-08.

At least 70% of firms receiving assistance with major overseas projects reporting that **our help was a significant factor**



Figures for Q1-Q2 2005 show an average of 70% for firms reporting UK Trade & Investment's interventions were significant.

UKTI continues to provide support through its UK and overseas network to help UK companies win major overseas projects.

Data source

Data is collected and monitored through performance measurement survey and analysis carried out by external consultants Casson & Crispe

SR02 PSA Target

PSA 6 Secure agreement by 2005 to a significant reduction in trade barriers leading to improved trading opportunities for the UK and developing countries.
JOINT TARGET WITH DTI AND DfID.



Indicator

Progress

An average reduction of at least 20% in bound **tariffs on industrial goods**



This target will not be met by 2005. It should be noted that a revised trade target was agreed in the SR04 spending review with a 2008 deadline. This new target is not shared by FCO, but the Department for Trade and Industry's Autumn Progress Report notes "progress slower than expected".

Substantial reduction in **support for agriculture**

Data source

Data is sourced from the UK Mission to the WTO in Geneva and includes records of WTO meetings. G8 support for the Round is documented in the G8 statement on trade

The main lever for achieving the target is the Doha Round of WTO Trade negotiations, where the European Commission negotiates on behalf of the EU Member States. Some progress has been made at technical level, but overall negotiations have moved very slowly. There is a real possibility that the outcome of the WTO Ministerial in Hong Kong this December will not meet our ambitions.

FCO's contribution: Trade was a priority issue at the G8 Summit at Gleneagles, where we succeeded in agreeing a statement expressing strong support for the negotiations, with commitments to end export subsidies and to complete the Round by end 2006. The FCO's PUS acted as G8 Sherpa. FCO's network of posts have acted in support of our trade objectives, within both the G8 and the WTO negotiations, reporting on the views of our partners and making the case for an ambitious, development-oriented Round.

SR02 PSA Target

PSA 7 Make globalisation work for sustainable development in the UK and internationally (and particularly in Africa) by promoting democracy and the rule of law, good economic and environmental governance, and security of long-term energy supply, measured by specific underlying targets



Indicator

Progress

Concrete progress towards the Millennium Development Goals (MDGs)

Data source

Progress towards the Millennium Development Goals is measured at least annually and published by UNDP. The financial data on G8 agreements has been widely publicised

A

The headline Millennium Development Goals (MDG) target of halving the proportion of people living in absolute poverty by 2015 looks likely to be met globally, as does the MDG target to halve the proportion of people living without access to safe water. The other targets, including reductions in maternal and child mortality, ensuring education for all, and halting the spread of preventable diseases are all falling behind and will require a major increase in aid financing if they are to be realised.

As a result of HMGs efforts supported by the FCO, the G8 have agreed to \$40 billion in debt relief to multilateral institutions owed by 18 of the world's poorest countries (14 of which are in Africa) and \$50 billion in additional aid. The European Union endorsed a new collective target for Overseas Development Aid of 0.56% by 2010, and a target of 0.7% by 2015 (the UN target); these commitments will double EU aid to \$80 billion in 2010 compared with 2004 levels. Extensive bilateral and multilateral lobbying with HMT and DFID helped ensure that in September 2005 some EU Member States (UK, France, Italy, Spain and Sweden) launched the \$4 billion International Finance Facility for Immunisation (IFFIm). Bonds for the facility, which will save 5 million children's lives ahead of 2015 and a further 5 million lives thereafter, will be issued on international capital markets in early 2006. In addition some countries will implement a contribution on airline tickets to finance development projects, while others will use other means to enhance traditional ODA. Similarly, the FCO provides political support as necessary to DFID and HMG in promoting education and health initiatives in support of the MDG targets, with DFID providing the funding to multilateral institutions and in support of specific initiatives.

Agreement of new UN Convention against Corruption (UNCAC) and UK signature by end 2003. Two ratifications of the Convention in each year 2004/05/06

Data source

UK policy documents, OECD and UN websites and policy papers

G

UNCAC was agreed and the UK signed in 2003. Fifteen countries have ratified in the reporting period (including the first EU and OECD members), taking the total to 33 ratifications. Following the 30th ratification the Convention will come into force on 14 December 2005. The UK remains on course to ratify by the end of 2005.

Two new UK Investment Promotion and Protection Agreements (**IPPs**) each year 2004/05/06

Data source

As above

A

We have agreed a final text with Iran. Negotiations with the Mexicans are entering the final phase. Discussions with Libya, Colombia and Cambodia are at an early stage.

Three new ratifications of the Organisation for Economic Co-operation and Development (OECD) **Bribery Convention** by end 2005

Data source

As previous

R

There have been no new ratifications since Estonia ratified the Convention at the end of 2004. However, the OECD Working Group has made good progress on bringing South Africa into the system and they are attending the Working Group meeting in October. This should mean a further ratification in the medium-term. Progress with Russia has been much slower and Russian ratification is not a realistic prospect for the time being. In the meantime, we continue to re-assess the outreach strategy and will make further effort with other major emerging markets, such as Indonesia.

Significant improvements in each year in **economic governance** for at least two states identified as having failed governance, as measured by the World Bank governance survey

Data source

World Bank Governance Indicators from http://info.worldbank.org/governance/kkz2004/country_report.asp?countryid=161. These are taken from the authoritative research by Kaufmann, Kraay and Mastruzzi (2005) at the World Bank

G

Our target countries for improvements in economic governance are Iraq and Nigeria, both of which were in the bottom 10% of the World Bank's figures for economic governance in 2004.

In Iraq we are working with HMT and DFID to ensure that Iraq works effectively with the IMF on the Emergency Post Conflict Assistance Program. Progress has been made on establishing an audit of the Central Bank, reducing reporting lags and fuel subsidy reform. We work with DFID, lobbying for effective and transparent economic policies, and improved financial management of Iraq's budget. The Government of Iraq is negotiating a 3 year IMF Stand By Arrangement (SBA) with the Fund which we expect to be agreed by the end of 2005.

On Nigeria we continue to work with DFID and HMT in supporting Nigeria's economic team with their economic reform programme, and to lobby Nigerians on producing concrete results in the fight against corruption. We lobbied successfully on behalf of HMG to secure debt relief for Nigeria in the Paris Club. We work closely with US, DFID and MOD in seeking a Nigerian-owned solution to weak economic governance. We have several Global Opportunity Fund Economic Governance projects in 2005-06 in Nigeria; aimed at reducing corruption & crime and increasing transparency & accountability. Nigeria has made progress on economic governance, including several high profile arrests for corruption. The IMF recently agreed a Policy Support Instrument (PSI), which will provide non-financial assistance such as advice, monitoring and endorsement of their policies.

Formal agreement on **transparency of payments** from major corporations in extractive industries with at least 5 countries by 2004, 10 by 2005

Data source

DFID, DFID policy papers, meetings attended by FCO and the EITI website

G

Twenty countries have endorsed the principles of the Extractive Industries Transparency Initiative (EITI). Eleven countries are currently implementing the Initiative: Azerbaijan, Republic of Congo, Democratic Republic of Congo, Ghana, Kazakhstan, Kyrgyz Republic, Nigeria, Peru, Sao Tome e Principe, East Timor and Trinidad and Tobago. An important deliverable for 2005 is to see credible results from at least five implementing countries, as measured by performance against the six EITI Criteria. This will be challenging but should be achievable.

Chapter 6

Sustainable development, underpinned by democracy, good governance and human rights

This area of FCO activity covers performance against four of our PSA targets:

- | | |
|---|--------------------|
| 1. SR 04 PSA 7 (Islamic Countries and Communities) | Performance update |
| 2. SR 04 PSA 8 (Sustainable Development) | Performance update |
| 3. SR 02 PSA 6 (Trade Barriers) | Performance update |
| 4. SR 02 PSA 7 (Democracy and Rule of Law elements) | Performance update |

SR04 PSA Target

PSA 7 To increase understanding of, and engagement with, Islamic countries and communities and to work with them to promote peaceful political, economic and social reform



Indicator

Progress

Evidence that reform in Islamic countries is high on the **international agenda** and that the right themes are being supported and driven forward by multilateral institutions, e.g. G8, UN, EU and NATO

G

On EUROMED Agenda for summit in November. Draft declaration and workplan obtained EU approval on 19 Sept. Reform theme for Forum for the Future agreed. Good progress on including civil society, more than half of the full ministerial plenary will be taken up with discussions with civil society. UN agree Alliance of Civilisations.

Data source

-for all target indicators-

UN and EU sources

Greater **political pluralism** in Islamic countries as a result of UK contribution

A

It is difficult to attribute improved political pluralism directly to UK contribution as opposed to general international and domestic pressures. The EIWG –GOF programme has funded a number of projects to support the independent press and there was lively media coverage of Presidential elections in Egypt as a direct result of UK training for journalists.

Successful **legal and penal reform** at national level leading to a more independent and impartial judiciary operating in accordance with UN principles

A

Legal reform in Morocco has challenged debate elsewhere. This has been largely domestically driven. The UK has contributed to a regional project for independent prosecutors and to some smaller direct projects on reforming the judiciary but there is no clear measurement of improved independence of the judiciary as a result.

Evidence of increased governmental **accountability**, including by the establishment of a free media and strengthened civil society organisations

A

Good civil society dialogues as part of G8 processes. Some improvement in the media in Egypt (including trade unions for journalists) but continued problems with civil society elsewhere including in Tunisia. International independent media contribute to the debate in the Muslim world, but UK contribution to this is minimal.

A strengthened **civil society** as a consequence of the development of indigenous NGOs, enhanced legislative process, strengthened public administration / civil service

A

Increased numbers of registered civil society actors throughout the Arab world. DFID/FCO contribution to public administration reform in Jordan/Yemen but evidence of improvements limited. Some issues of freedom of association and funding for indigenous organisations still outstanding but debates stimulated by the UK in both EU (EUROMED) and G8 (BMENA) processes.

An increase in the **representation of women** in national and local government as well as in civil society and international organisations

G

Improvements on the ground but little since April 2005.

The removal of barriers to international **investment** in the Middle East region enabling 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

A

Little progress. But big push through Euromed process.

The fostering and promotion of a moderate version of Islam both in Islamic countries and in the UK and greater **understanding** between Islam and the West as a consequence of supporting Islamic efforts to promote mainstream Islam

A

Good contacts with Jordanians, Malaysians and others. Plans to bring Muslim thinkers to the UK and for holding an international conference in early 2006.

SR04 PSA Target

PSA 8 To promote sustainable development, underpinned by democracy, good governance and human rights, particularly through effective delivery of programmes in these and related fields

G

Indicator

Progress

More countries implementing measures to increase **access** to information, public participation and access to justice on environmental matters

G

Data source

From: the Access Initiative; PP10; the GOF SD Programme Office; FCO records; UN documents

The FCO works towards achieving this indicator through its support for The Access Initiative (TAI). This supports country-level assessments of the implementation of Principle 10 of the Rio Declaration (on access to information, public participation and access to justice in environmental matters). . The FCO supports the Partnership for Principle 10 (one of the more successful Partnerships launched at the World Summit on Sustainable Development (SSD) in Johannesburg in 2002) and other environmental democracy initiatives at the local and national level in developing countries. So far this year 21 new projects promoting environmental democracy have been approved under the GOF SD programme in eleven countries. Six Latin American countries finalised TAI assessments supported by GOF funding. Four new partners have joined PP10 - from Bolivia, Ecuador, Uganda and Ukraine. [Agreeing projects and delivering progress against the indicators through the projects are two different things, but at this early stage in the Programme's existence it is often too early to be able to identify changes achieved].

Improved natural **resource management**

G

Data source

As above

The FCO works to achieve this indicator through its work on biodiversity, sustainable tourism, forests (though see indicator below), mainstreaming sustainable development and promoting improved international environmental governance. So far this year 40 projects in this area have been approved under GOF in sixteen countries. Also, the FCO played an important role in ensuring pro-whaling nations did not get the upper hand at the International Whaling Commission in June; participated in the UK delegation to the Commission on Sustainable Development which agreed concrete actions in the area of water, sanitation and human settlements; took the lead in establishing a Cross-Departmental Working Group on Sustainable Tourism; and helped secure a good result on development at the Millennium Review Summit. In conjunction with the Department for Environment, Food and Rural Affairs (Defra) we have made good progress in establishing sustainable development Dialogues with China, India and Brazil which will help to deliver progress against the indicators on natural resource management and illegal logging.

Greater international commitment to tackling **illegal logging**

G

Data source

As above

The FCO works towards achieving this indicator through its involvement in HMG's policy-making on illegal logging; and through the use of the GOF. So far this year the FCO has lent encouragement, through our Embassy in Tokyo and contacts in London, to encouraging policy developments in the field of illegal logging in Japan – these may translate into new commitments on procurement. The Russians hosted a successful meeting of the Interim Steering Committee for the Europe and North Asia (ENA) Forest Law Enforcement and Governance (FLEG) Ministerial (due to take place in Nov 2005). FCO helped secure essential Chinese involvement in this process and attendance at meeting. UN Forum on Forests however concluded without agreeing better international arrangements for considering forest issues.

Increased implementation of **Environment Charters** in the Overseas -Territories

G

Data source

As above

Ongoing implementation of Overseas Territories Environment Programme (OTEP) (23 new projects agreed in March for implementation beginning in this financial year). Examples of completed projects include funding a consultant to produce a draft Conservation Strategy and Biodiversity Action Plan for discussion on the Falkland Islands and the construction of a Mangrove Wetland Interpretive Centre in the British Virgin Islands. Both projects were well received and supported in the Territory.

An increase in the number of countries that have abolished **the death penalty**, or announced a moratorium in its use from 120 countries in March 2005 to 125 in March 2008

G

Data source

The measure for this indicator will be Amnesty International's death penalty web-site which can be found at <http://web.amnesty.org/pages/deathpenalty-index-eng>.

Developments are also monitored through ongoing FCO, media and NGO reporting

Although the number of abolitionist states remains at 120 in September 2005, the overall trend is in the right direction, with a relatively steady flow of countries showing positive steps (e.g. the recent announcement by the President of Uzbekistan that the death penalty will be abolished on 1 January 2008). We are confident at this stage that this trend will continue. (Senegal abolished, and Tajikistan and Kyrgyzstan announced moratoria in the 3 months to 31 March 2005.)

As EU Presidency we are conducting a targeted lobbying exercise of countries who are closest to movement on the death penalty: either those on the point of abolishing the death penalty, or of breaking a moratorium. The future Presidency (Austria) has shown interest in carrying on this project. We are also funding (from GOF) projects in the Caribbean, Africa and Vietnam to reduce the scope of the death penalty and work on effective alternatives. In the reporting period, legal action we helped fund in Uganda resulted in the Constitutional Court ruling the mandatory death penalty to be unconstitutional, leading to the commutation of over 400 death sentences.

An increase in the number of ratifications of the UN's 6 core **human rights treaties** by 6 per year over the three years

Data source

the number of ratifications can be monitored on the UN's web-site at: <http://untreaty.un.org/ENGLISH/bible/englishinternetbible/partI/chapterIV/treaty16.asp> (requires username and password). Slightly less up to date information is also obtainable through <http://www.ohchr.org/english/bodies/docs/RatificationStatus.pdf>

Developments are also monitored through ongoing FCO, media and NGO reporting

G

There has been 1 new ratification in the reporting period bringing the total to 987 (1 above baseline). The EU Presidency has restricted our ability to lobby individual countries in a national capacity. However under the UK Presidency, the EU is undertaking demarches in 24 countries that have not yet ratified the Convention against Torture. Additionally, where possible, ratification of core treaties has been/will be included in other EU Presidency work; e.g. it will feature during the dedicated EU-China human rights dialogue in October. Our EU general statement to the UN General Assembly Third Committee will include calls to those states who have not yet done so to ratify the core conventions.

Although UK Overseas Territories (OTs) are not counted in the headline target, extension of the main treaties in the OTs remains an associated objective. In the review period, we have been considering with the Overseas Territories Department (OTD) and Governors how to take forward ratification of remaining treaties by UK Overseas Territories, particularly the Committee/Convention for the Elimination of Discrimination Against Women (CEDAW) in a number of OTs, and ratification by Anguilla of the two Covenants.

An increase in the number of countries that have ratified the Optional Protocol to the Convention Against Torture (OPCAT) - 21 more countries to ratify over the three years

Data source

As above

G

In the reporting period, there were 3 new ratifications, bringing the total to 13 (9 over baseline) and 9 new signatures.

The FCO launched a worldwide lobbying campaign on ratification of the OPCAT in June 2004. More recently, this included the former FCO Minister, Bill Rammell, writing to the Government of Guatemala to encourage them to ratify. We are supporting, through GOF, the ongoing work of the Association for the Prevention of Torture (APT), the leading NGO in this field, which is actively lobbying governments and providing technical assistance to encourage them to ratify and implement OPCAT. Evidence in APT progress reports that there is a direct link between APT's work in countries and their subsequent ratification of OPCAT.

SR02 PSA target

PSA 7 Make globalisation work for sustainable development in the UK and internationally (and particularly in Africa) by promoting democracy and the rule of law, good economic and environmental governance, and security of long-term energy supply, measured by specific underlying targets



Indicator

Progress

Number of **functioning democracies** in the world increases from 95 in 2003 to 105 in 2006

A

Data source

Freedom House report 2005, updated and modified on basis of FCO reporting and analysis

We have based our calculation on the 89 states defined as 'free' in Freedom House's 2005 findings (<http://www.freedomhouse.org/research/survey2005.htm>). The following are our additions based on relative progress with democracy, balanced with human rights reports: East Timor; Georgia; Indonesia; Iraq; Macedonia; Malaysia; Turkey; Lebanon, Niger and Ukraine

We have reviewed the headline figure from scratch and judge that, while up to 140 countries have some attributes of democracy, there are currently **99** countries which can be assessed as fully functioning democracies. The figure disguises the fact while some countries have improved - for example Georgia and Ukraine - others, including Russia, have regressed. It also does not capture positive trends in countries which still cannot presently be judged democratic. While we would not currently expect to achieve this target, the overall trend over the period of the PSA has been positive and there has been a significant increase in the number of countries implementing systems, processes and procedures widely accepted to be necessary in a fully functioning democracy.

In the review period, the UK was closely involved in preparations for parliamentary elections in Afghanistan, which, while not perfect, marked a step forward. Elsewhere, parliamentary elections in Lebanon were not perfect but were reasonably free and fair and certainly marked a revival of the democratic process. Reasonably free and fair elections also took place in the West Bank and Gaza, although parliamentary elections have been delayed. Iranian presidential elections involved a high turnout but were fundamentally flawed, not least by the exclusion of a large number of candidates. Elections in Ethiopia in May were marred by serious post-election disputes, violence and large-scale detentions. But long-awaited general elections in Congo have been delayed by up to six months. In the wider sphere, there have been some significant positive developments, including the approval in Kuwait on 16 May of suffrage for women.

The FCO continues to engage in many of these countries both through normal diplomatic lobbying, through direct support for the democratic process, eg in Afghanistan, and through support for election monitoring (in the review period in Macedonia, Ethiopia, Afghanistan).

African Court of Human Rights

established and becoming functional by end 2006

A

Data source

Direct feedback from the summit, and from the official AU report of the tenth ordinary session of the Permanent Representatives' Committee (28-29 June)

At the AU summit in Libya in July the AU Assembly approved the proposal to merge the African Court of Human and Peoples' Rights and the African Court of Justice, and stressed that the ACHPR should be set up as soon as possible. Our Embassy in Addis expect that the ACHPR will be established before the end of 2006.

The number of countries with fully independent and impartial **judiciaries** increases from 90 in 2003 to 95 in 2006

Data source

Freedom House report on civil liberties, with some interpretation based on FCO human rights reporting and analysis. As noted above, it is important to note that the headline figures for both indicators do not capture positive trends and progress where countries still fall below the high standard set for fully functioning democracies/ independent and impartial judiciaries

A

We have reviewed the headline figure from scratch: and judge that there are currently **91** countries which can be judged to have fully independent and impartial judiciaries.

Below the headline figure there have been a number of positive developments in the review period which illustrate a generally positive trend over the period of the PSA towards more independent and impartial judiciaries in some countries. These include:

- President Putin announced the need to eliminate corruption in Russian courts and announced a series of measures to improve standards;
- there has been restructuring of the Afghan judicial system;
- in Romania the Government is taking steps to fight corruption in the judiciary.

The FCO has supported a number of practical projects through GOF, aimed at improving the independence of the judiciary, including:

- Human rights training to the judiciary in Turkey, that has been cascaded to 6,000 judges and prosecutors, helping the judiciary to absorb and implement reform consistently.
- A three-year project in Afghanistan, implemented by the Bar Human Rights Committee of England and Wales (BHRC) aimed at disseminating legal skills and knowledge in the legal sector.
- We have funded the International Commission of Jurists' Centre for the Independence of Judges and Lawyers (ICJ/CIJL) to produce the *Practitioners' Guide to International Principles on the Independence and Accountability of Judges, Lawyers and Prosecutors*. This sets out international standards on the independence of the judiciary, including on the security of tenure of judges, accountability and judicial corruption.

The UK also co-sponsored a resolution at the UN Commission on Human Rights in 2005 on the Independence and Impartiality of the Judiciary.

Most trials conducted by the **Special Court for Sierra Leone** completed by end-2005

Data source

Official website for the Special Court for Sierra Leone. (www.sc-sl.org). Reporting from a range of Posts including Sierra Leone, Abuja, Washington. Corroborated with Prosecutor and Registrar for SCSL

A

Trials of all nine indicted persons in custody are now underway. Trials of the three Civil Defence Force (CDF) members began in June 2004; those of the three Revolutionary United Front (RUF) members began in July 2004. And trials of the three Armed Forces Revolutionary Council (AFRC) members began in March 2005.

The conclusion of the CDF and AFRC trials is expected around July 2006 now. The RUF trials will take longer. Progress has been significantly hampered by illnesses of Judges and replacements of key personnel. There is a chance that the conclusion of the Court could be further delayed if either of the two further indictees, Johnny Paul Koroma and former Liberian President, Charles Taylor, are transferred for prosecution. (Koroma may be dead, while Taylor is being given asylum in Calabar, Nigeria).

The FCO has provided political, financial and administrative support to the Court. We have ensured the SCSL remains on the UN agenda. We have organised a joint lobbying campaign with key partners which has included the involvement of the Secretary of State in order to encourage states to help finance the Court. We also help with technical/ administrative/ judicial hitches (including dealing with personnel replacements, investigations etc). For example, during the period under review, we undertook specific measures to allow the timely arrival of the Deputy Prosecutor by helping sort out an immigration issue.

Effective implementation of a more coherent approach to **environmental governance** based on the United Nations Environment Programme (UNEP) Cartagena reforms and World Summit on Sustainable Development (WSSD) Plan of Implementation, including agreement on universal membership of the Global Ministerial Environmental Forum and a 30% increase in UNEP core funding by 2005

G

UNEP Governing Council agreed in February 05 that there should be ministerial discussion on Universal Membership (UM) at its next Special Session in February 2006. Meanwhile debate on UM has shifted to discussion of the possibility of a United Nations Environment Organisation (UNEO). UK signed up to this French proposal in April and it became EU policy in June. UK as Presidency worked hard to secure good language on international environmental governance in Millennium Review Summit outcome document that provides for a process to be established to explore the possibility of a more coherent institutional framework for the UN's environmental activities. We will be pushing for this discussion to include the case for the establishment of a UNEO.

Successful conclusion of the environmental aspects of the **Doha Development Agenda**, in particular clarifying the relationship between WTO rules and Multilateral Environmental Agreements

R

Not much has happened on this internationally since the failure of Cancun. This is a Defra lead and because of resource constraints FCO have not been active on this issue, instead prioritising other issues where the FCO can add greater value.

Significant improvement in both the legal basis and effective implementation of citizens' **access** to environmental information, **participation** in decision-making and access to justice in priority countries by 2005

G

FCO primarily seeks to deliver this target through its active membership and financial support of the Advisory Committee of the Partnership for Principle 10. The Partnership has expanded and is now one of the strongest of the Partnerships launched at the World Summit on Sustainable Development (WSSD) in Johannesburg. New partners from Bolivia, Ecuador, Uganda, and Ukraine have joined so far this year. The Partnership requires partners to make commitments of how they will improve the implementation of Principle 10 in their countries. FCO supporting other partners to implement their commitments through project funding. The UK ratified the Aarhus Convention in February 2005 in time to attend first Meeting of the Parties in May 2005.

Chapter 7

Security of UK and global energy supplies

This area of FCO activity covers performance against one of our PSA targets:

- | | |
|---------------------------------|--------------------|
| 1. SR 02 PSA 7 (Energy element) | Performance update |
|---------------------------------|--------------------|

SR02 PSA Target

PSA 7 Make globalisation work for sustainable development in the UK and internationally (and particularly in Africa) by promoting democracy and the rule of law, good economic and environmental governance, and security of long-term energy supply, measured by specific underlying targets.



Indicator	Progress
<p>Increased diversity of oil supplies to EU, including through an above trend increase in oil sector FDI in key oil states by 2005</p> <p>Data source</p> <p>DTI, UKTI, CCEG (FCO) colleagues and press reports. Draft data circulated to all stakeholders to ensure accuracy</p>	<div style="background-color: #FFD700; text-align: center; padding: 5px;">A</div> <p>A Ministerial Memorandum of Understanding designed to underpin enhanced energy dialogue with Kazakhstan was signed during inward visit by Kazakh Energy Minister on 29 June. A Joint Working Group meeting is to be held in the first week of October 2005. The Baku-Tbilisi-Ceyhan (BTC) pipeline opened, which is likely to mean over time a great source of supply from the Caspian. Shell agreed new investment of USD\$300m in a gas exploration deal with Libya. Oil diversity over PSA period shows little change, but direction is towards greater diversity over the short to medium term (5-10 years).</p>
<p>Reduced OECD dependence on oil: programmes in place by 2005 which would achieve a reduction of 1% in 2030 of oil's share of total primary energy resources (TPER) in OECD and emerging markets*</p>	<div style="background-color: #90EE90; text-align: center; padding: 5px;">G</div> <p>The EU Biofuels Directive (May 2003) required Member States to establish indicative targets for biofuel use for 2005 and 2010 in order to tackle greenhouse gas emissions from transport (which will also reduce dependence on oil). The UK is on track to meet its target for 2005. Most sales come from imports of Brazilian bioethanol, but increases are expected from domestic sources once a new UK plant reaches full capacity. Environmentally Friendly Vehicles Conference planned for late 2005.</p> <p><i>*Indicator amended to reflect the forecast in the IEA World Energy Outlook, which is used to measure performance.</i></p>

EU gas
supply/liberalisation:
achievement of full EU
gas market liberalisation
by 2007*.

Data source

DTI, UKTI, CCEG
(FCO) colleagues and
press reports. Draft data
circulated to all
stakeholders to ensure
accuracy

A

UK-Netherlands Interconnector Agreement (Balgzand-Bacton gas pipeline) signed on 21 March – import capacity 16 bn m³/year, due on stream December 2006. UK/Norway oil and gas framework treaty, signed 4 April 2005, has facilitated inter alia the Norwegian Langeled gas pipeline project – Import capacity 26 bcm/year, due on stream December 2006. Construction of LNG (Liquified Natural Gas) infrastructure at Isle of Grain (NGT, commences 2005) and Milford Haven (Qatargas/ExxonMobil and BG/Petronas/Petroplus), both commence 2007. Isle of Grain will start receiving gas in 2005 from a variety of sources (eg Algeria). Qatargas/ExxonMobil starts 2007, imports solely from Qatar. BG/Petronas/Petroplus starts 2007, imports from a variety of sources**. LNG will supply up to 20% of UK gas demand. Greeks and Turks agree new natural gas pipeline route that will eventually reach Italy; due for completion 2007. A project to build a second gas pipeline via Turkey along the West coast of the Black Sea into Western Europe is scheduled to be commissioned in 2009. The Northern European Gas Pipeline project from Russia to Germany is due to start in 2010.

France began a programme of energy sector privatisation with sale of 22% of Gaz de France in June. EU gas supply diversity will not change significantly over PSA period (94% obtained from Russia, Norway and Algeria); there is however a small reduction taking place over the short term in EU reliance on Russian gas, the result of export capacity constraints. This is balanced by increased reliance on North Africa; but A10 countries more reliant on Russia than EU15, and will not benefit from increases in LNG capacity from the Middle East and West Africa. The European Commission is preparing two studies, due by the end of 2005, that will examine the progress made by member states in implementing its directives on liberalisation and competition in EU energy markets.

**Indicator amended to 2007. The date in the 2003 Gas Directive for full liberalisation is 2007*, not 2005. There is no 2005 obligation on EU Member States.*

*** The LNG terminals are exempted from some of the EU requirements on regulated third party access.*

Substantial increase in the share of new **renewable energy sources and energy efficiency** technologies in the energy supply mix non-OECD countries (particularly in Africa) by 2010, through adoption of national renewable energy goals and programmes as follow-up to relevant G8 and WSSD initiatives

Data source

As above

A

£1m contribution made to Renewable Energy and Energy Efficiency Partnership (REEEP) for that organisation to finance renewable energy and energy efficiency projects for FY 2005/06. Angola, Canada, France, Mexico, Chile and South Korea have joined the REEEP since March 2005. Baseline trend for use of renewables in Africa in 2003 is 3.4%. With G8 focus on Africa, and publication of Commission for Africa report, prospects of wider use of renewables enhanced; programme of cross Whitehall activity on local/regional energy access projects in Africa begun, with emphasis on use of renewable sources; IEA's Angola energy sector review will examine economic feasibility of reducing gas flaring/processing for domestic consumption; China passed a Renewable Energy Law in March 2005 which aims to increase the percentage of renewable energy from 3% (in 2003) to 10% (in 2020). Intensive work by FCO London and posts contributed to G8 Plan of Action on practical measures including renewables and energy efficiency, and getting G8 and outreach emerging economies agreement to it. Further work underway on how to follow this up, including through the G8 Dialogue process. Work also ongoing on how the Commission on Sustainable Development's energy and climate change themes can contribute to the promotion of cleaner energy.

Chapter 8

Security and good governance of the UK's Overseas Territories

This area of FCO activity covers performance against one of our PSA targets:

- | | |
|--|--------------------|
| 1. SR 02 PSA 11 (Overseas Territories) | Performance update |
|--|--------------------|

SR02 PSA Target

PSA 11 Improvement in the governance, environment and security of the overseas territories, and more diversified economic development, as measured by implementation of the commitments in the 1999 White Paper.



Indicator

Progress

Modernisation by 2006 the **constitutions** of all populated Territories (except Gibraltar and Pitcairn) – 2 by March 2004, 6 by March 2005

R

Data source

FCO Desk Officers

Constitutional Review Commissions have been set up and reviews are underway in Anguilla, British Virgin Islands (BVI), Cayman Islands, Falkland Islands, Montserrat and the Turks and Caicos Islands (TCI). In TCI, the recommendations made by the commission and the two political parties have formed the subject of discussions with HMG and these are ongoing. Further discussion is on hold in Anguilla pending recent elections. The Montserrat commission report of 2002 was received in the FCO only in April 2005 and the first round of talks took place in Montserrat in the last week of September 2005. Discussions, which were at a relatively advanced stage, have restarted with the new government in the Cayman Islands. Discussions on Falkland Islands constitutional issues are likely to begin early in 2006 following elections there. Following constitutional talks, St Helena held a consultative poll on 25 May to determine whether they would adopt a new constitution which would create a ministerial form of government. This was rejected. However, elements of the proposed constitution are likely to be adopted. The indicator of 6 constitutions modernised by March 2005 has thus not been met.

Improvement in Overseas Territories' (OT) participation in key multilateral **environmental agreements** by securing the extension by 2006 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) to Anguilla and TCI, of the Convention on Biological Diversity to Bermuda and the Falkland Islands, and of the Protocol Concerning Specially Protected Areas and Wildlife (SPA) to all the Caribbean Overseas Territories (COTs)

Data source

FCO Desk Officers



Although this Multilateral Environmental Agreement (MEA) has not yet been formally extended to Anguilla and Turks & Caicos Islands, both continue to prepare draft legislation to this end. But progress has been slow largely because of lack of resources. To aid this process FCO funded, organised and helped to present a highly successful CITES training workshop in Anguilla held on 14-18 July 2003 which was attended by relevant officials from several Caribbean OTs. FCO and DfID officials continue to provide support to OT Governments eg by making a series of visits to promote the joint FCO/DfID UK Overseas Territories Environment Programme (OTEP) and to provide assistance and guidance on various MEAs. The OTEP programme offers Overseas Territories (OTs) the opportunity to bid for funds to facilitate extension and implementation of MEAs and some projects have been approved in a number of the OTs to facilitate this.

Convention on Biological Diversity (CBD): similarly, although further legal drafting is required, both Bermuda and Falkland Islands are making progress. TCI also expressed interest in this Agreement and two representatives from TCI Government attended the CBD COP in February 2004 as part of the UK delegation. However, changes in personnel within TCI have contributed to delays. A representative from Ascension Island attended the CBD meeting in February 2005 as part of the UK delegation. It is anticipated that UK ratification of the Agreement on the Conservation of Albatrosses and Petrels will be extended to Tristan da Cunha by the end of 2005.

SPA: delays have occurred and little progress made.

Disaster management plans agreed for three OTs by the end of 2003/4 and for ten OTs by the end of 2004/5

Data source

FCO Desk Officers



Disaster plans are in place in Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Gibraltar, the Falkland Islands, Montserrat, Pitcairn, St Helena and the Turks and Caicos Islands. The OTs department in the FCO has established a Disaster Management Committee to assist work towards maximising our disaster management capacity. Work is in hand to assist with, and encourage, the application of minimum standards and common planning processes across all the OTs.

Agree **borrowing guidelines** in all Caribbean Overseas Territories (COTs) by 2004/5 and develop new strategic plans in all COTs, Falklands and St Helena by 2006 in order to improve financial planning and budgetary discipline

Data source

Departmental Economic Adviser

All data within the range of knowledge of the sources



Borrowing Guidelines: Anguilla, Cayman Islands, & TCI: Borrowing Guidelines finalised. BVI: Agreement between BVIG and FCO officials reached May 2005, wider HMG clearances obtained Sept 2005. BVIG Ministers agreed and signed draft, expect to seek FCO Ministerial sign-off in due course. Montserrat: No action required as no new borrowing since volcano eruption. Agreement will be sought if necessary, when/if any new borrowing proposed.

Strategic Plans: Anguilla & TCI: Strategic Country Programme (SCP) documents were not renewed following cessation of DFID bilateral aid, to which they were linked. HMG is encouraging formulation of medium-term frameworks. BVI & Cayman: Medium-term planning documents in place. Ongoing visit programme to (non Budgetary-Aided) Caribbean OTs by the OTD Economic Adviser to encourage financial planning and budgetary discipline. Montserrat & St Helena: Country Policy Plans (CPP) still agreed with HMG (DFID lead) as part of Budgetary Aid programme. Falklands: existing medium-term strategy (the Islands Plan) under review; implementation expected early in the life of the next Council.

Chapter 9

Public Diplomacy

This area of FCO activity covers performance against one of our PSA targets:

- | | |
|-----------------------------------|--------------------|
| 1. SR 02 PSA 9 (Public Diplomacy) | Performance update |
|-----------------------------------|--------------------|

SR02 PSA target

PSA 9 Effective advice on, support for, and delivery of Government objectives across the full Range of the UK’s international interests through a viable and responsive network of diplomatic Posts. Increased influence overseas and improved perceptions of UK and HMG policies, as measured by opinion polls



Indicator

Progress

By 2005/06: FCO **Internet** activity to show positive return on investment, based on balanced scorecard

Data source

LiveStats reporting software interrogating live web server log files



Average monthly page impressions across all websites on the FCO web platform number 10.5m (FCO Website 3m). There are over 55,000 registered subscribers. More than 1m e-mail alerts are sent on average per month. 500 consular registration forms submitted per month. 176 Posts’ websites are operational. EU Presidency websites (French and English) operational. Over 400 users of the Content Management System. Online survey published to gain feedback from website visitors – 76% were either satisfied or very satisfied with the FCO Website.

By 2005/06: 3,000 **Chevening scholars** annually

Data source

Estimates based on available funding and British Council indications on cost per capita



Final scholar numbers for 05/06 are not yet available. We estimate a total of around 2000 (Chevening Scholars and Fellows). This is a decline on 04/05. This PSA target should now be seen in the light of the recommendations of the independent 2003 FCO Scholarships Review, as adopted by the FCO Board and Ministers, to emphasise quality of scholarships over quantity. The focus now is on strengthening the impact of the Chevening investment in support of Government objectives through i) development of shorter-term Chevening Fellowships (now in their second year) serving FCO Strategic Priorities and ii) progressive prioritisation of Chevening scholarships on countries of long term strategic importance.

The performance against this indicator has therefore not affected the overall green rating for this target.

BBC World Service to enhance its position as the best as the best-known and most respected voice in international radio and online broadcasting. Supporting measures will be global weekly radio audience, monthly online use, level of online interactivity, Short Wave audibility, and number of capital cities with BBC World Service FM outlets

Data source

BBC World Service on basis of independent research

(See opposite for further information)

G

- ⌚ Global weekly audience: No figure yet available
- ⌚ Shortwave audibility: No figure yet available
- ⌚ Quarterly online interactive forums per language: 12 (target at least 12). Level with 2004/05.
- ⌚ Monthly internet page impressions: 351m in August 2005 (up from 279m in Dec 2004)

Capital cities with BBCWS FM outlets: 146 in August 2005 (target 142). Up from 143 in March 2005.

Further data source information:

Surveys are carried out by commercial market or social research agencies using standard survey methods. For most key markets BBCWS commissions surveys from TNS, a major international research agency. Studies in other markets are purchased from Intermedia, a multinational agency which carries out studies for other international broadcasters. In some cases BBCWS directly commissions studies from local research agencies. Survey data are primarily for the BBC's own use and the figures reported in the PSAs represent a subset of the information collected. The information is monitored at quarterly Director-level meetings between FCO and BBCWS.

British Council effectiveness in improving perceptions of the UK confirmed through implementation of its global balanced scorecard from FY 2003/04

Data source

British Council on the basis of its own research through global scorecard

Insufficient data

Performance against all scorecard targets measured annually. No mid-year indications available.

Chapter 10

Public Services

This area of FCO activity covers performance against two of our PSA targets:

- | | |
|-----------------------------------|----------------------------|
| 1. SR 04 PSA 9 (Public Services) | Performance update |
| 2. SR 02 PSA 10 (Public Services) | Covered by SR 04 reporting |

SR04 PSA Target

PSA 9 Effective and efficient consular and entry clearance services, as measured by specific underlying targets



Entry Clearance

Because of a one-month timelag on performance reporting, indicator reporting covers the period June-August.

Indicator

Progress

90% 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

G

We are exceeding target: April 94.6%, May 93.1% June: 91.2%, July 92%. (August, September figures not yet available).

Data source

Posts' monthly statistical returns, cross-validated with data from our Central Reference System

90% of non-settlement applications 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

G

We are exceeding target: April 92.2%, May 93.2%, June 94%, July 94% (August, September figures not yet available).

90% of applicants for settlement visas to be **interviewed** within 12 weeks (except at Posts where Ministers have agreed alternative targets)

G

We are exceeding target: April 91.4%, May 97.3%, June 96.3%, July 93%. A problem on interpreting the indicator resolved. At many posts, settlement visas are being issued without interview and well within 12 weeks. Some of these posts have been reporting 0% compliance against the indicator, when we think that in the spirit of the indicator 100% is more appropriate.

60% of visa applications to be processed by posts with **Risk Assessment Units** or visa assessment teams in 2005/06, rising to 70% in 2006/07 and 75% in 2007/08

G

Continued progress towards 60% target – from 38% in June to 42.3% by end August.

Consular

The Consular PSA data used in this report is taken from the 2004-05 Consular Annual Return and refers to that period only. It does not refer to the period 1 April 2005 - 30 September 2005. No other data will become available until September 2006 when the 2005-06 Consular Annual Return data is available except the results from our new indicator on customer service which we expect to have by the end of December 2005. After September 2006 we expect to be able to provide up-to-date quarterly data on three indicators (passports, detainees and hospitalisations) direct from electronic sources with the remainder coming from annual sources.

Indicator

Progress

90% of **overseas passports** issued within 10 working days from receipt of correct fee and correctly completed application

R

Achieved **73.3%**. This figure refers to the higher target of 95% of passports issued within 5 days that was in use in 2004-05. The target was amended in SR04 to 90% within 10 days following the introduction of a lengthier but more secure passport issuing process. Under this newer target an 82.5% success rate would have been achieved. The success rate is still too low. Action is in hand to introduce ways of improving and speeding up passport services. A new Nationality & Passports Best Practice Unit has been set up within the Directorate, with a remit to ensure that posts are operating in the most efficient manner possible whilst still carrying out rigorous checks on applicants. They will carry out a rolling programme of reviews of larger passport issuing posts, beginning in October 2005. In cases where posts are clearly not meeting targets, we are already sending trouble-shooters out to assess and resolve the problems, in order to bring issuing times to within the PSA target.

Data source

The data is from the 2004-05 Consular Annual Return which went out this year to 243 overseas posts. We received Returns back from 241 of these. All Returns undergo a quality control check before the data is put onto a global spreadsheet. Sample checking is done at this stage to check accuracy of data transfer. The data is then checked again in a global context and enquiries made to the worst performers or to those posts showing anomalies in specific areas of their data

99% of **hospitalised consular cases** contacted within 24 hours of notification

G

Achieved **99.31%**. Only 26 of the 3,766 hospital cases missed this target giving us a success rate of 99.31%.

98% of **detainees** contacted within 24 hours of notification of arrest, and detainee visited as soon as possible thereafter if detainee wishes

A

Achieved **96.56%**. There were 5,975 detainee cases recorded in 2004-05 but 748 of them were not relevant to the PSA target mainly because local police had detained and released the individual within 24 hours before they notified the Consulate of the case. There were therefore 5,227 relevant cases of which 180 did not meet the 24-hour contact target. We achieved a 96.56% success rate and therefore failed this measure. 42 posts record failing on at least one occasion.

98% of **notarial acts** carried out within 1 working day from receipt of correct fee and correctly completed application

G

Achieved **99.64%**. Notarial acts include witnessing oaths, attesting signatures, preparing certificates and certifying documents. In 2004-05 we carried out 85,074 of these activities at our overseas posts: only 303 failed the target thus we achieved a 99.64% success rate and passed this measure.

98% of **birth registrations** carried out within 5 working days from receipt of correct fee and correctly completed application

A

Achieved **95.78%**. There were 8,620 birth registrations in 2004-05 of which 8,256 were done within the time target and 364 outside. This gives a success rate of 95.78% which means we fell short of this scorecard measure. 29 overseas posts registered one or more failures.

98% of **death registrations** carried out within 3 working days from receipt of correct fee and correctly completed application

A

Achieved **96.19%**. There were 446 deaths registered at overseas posts in 2004-05. 429 of these met the five-day target and 17 did not. The success rate was 96.19% which means we failed this measure. Eight posts fell short of the target.

Service Delivery. 75% of a cross-section of users satisfied with the delivery of consular services

Insufficient data

No data for this new indicator yet. Due December 2005.

Chapter 11

Efficiency

This area of FCO activity covers performance against one of our PSA targets:

- | | |
|-----------------------------------|---------------------------------|
| 1. SR 02 PSA 12 (Value for money) | Covered by efficiency reporting |
|-----------------------------------|---------------------------------|

In recent years the demands on the FCO have increased considerably. We play a key role in the Government's counter-terrorism strategy, and in pursuing the post-war strategy in Iraq and Afghanistan. Demand for our consular and visa services has also increased significantly. Given limited resources, the FCO is continually seeking to improve the efficiency of its operations, yielding efficiencies that can be better deployed in pursuit of its objectives.

As part of the 2004 Spending Review the FCO agreed to make a 2.5% efficiency savings in its core (i.e. excluding British Council and BBC World Service) expenditure. This amounts to some £86.7million (of the total of £118 million) by 2007-08.

These efficiencies are a mix of cashable or non-cashable gains. Cashable efficiencies are those achieved from reduced expenditure on inputs, e.g. workforce costs, to achieve a constant or rising quantity and quality of outputs. Non-cashable efficiency gains are those generated through productivity improvements i.e. gains in quantity and quality of output for a fixed level of inputs, such as increasing frontline professionals' time spent delivering services. At least half of the FCO efficiencies will be cash releasing, allowing resources to be recycled to the department's priority programmes. The target efficiencies by year are given in the table below.

Target Efficiency Savings

	2004-05	2005-06	2006-07	2007-08
Cashable	£1.4m	£15.8m	£33.5m	£44.8m
Non-cashable	£3.3m	£22.9m	£31.8m	£41.9m
Total	£4.7m	£38.7m	£65.3m	£86.7m

The Programme

The FCO's efficiency programme is divided into 21 separate projects, each with its own Project Manager and Senior Reporting Officer. Projects include reducing the paybill, better procurement strategies and streamlining back office functions. Details of all 21 projects, including project targets, can be found in the FCO's Efficiency Technical Note (ETN) on our website: <http://www.fco.gov.uk/efficiencytechnicalnote>

Additional projects will be added as they are approved internally. These will strengthen the programme by providing a degree of contingency as well as improving further areas of our activity.

Progress to date

Efficiencies: Efficiency gains in 2004-05 were £6.6 million against a target of £4.7 million (half of which were cashable). Current forecasts for efficiency gains for 2005-06 are slightly above target at £39.0 million. By September 2005 £30.1 million had been provisionally achieved, of which £11.2 million was cashable.

Headcount: During 2004-05 UK based staff numbers were reduced by 50 after adjustments for additional burdens, as agreed with HMT. These additional burdens are due to increased visa and consular demand, and are thus self-funded.

In 2005-06 the cumulative number of reductions is anticipated to be 165 of which 99 were achieved by September 2005.

Relocations: In 2004-05 30 help desk staff were located at our offices near Milton Keynes.

Annex I

Full text of the FCO's SR04 2005-08 PSA

AIM

To work for UK interests in a safe, just and prosperous world.

Objective I: A world safer from global terrorism and weapons of mass destruction (WMD).

PSA 1 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 world-wide.

PSA 2 To reduce the risk from international terrorism so that UK citizens can go about their business freely and with confidence.

Objective II: Protection of the UK from illegal immigration, drug trafficking and other international crime.

Objective III: An international system based on the rule of law, which is better able to resolve disputes and prevent conflicts.

PSA 3 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. (Joint with the Ministry of Defence and the Department for International Development)

Objective IV: An effective EU in a secure neighbourhood.

PSA 4 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 NATO.

PSA 5 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. (Joint with the Ministry of Defence)

Objective V: Promotion of UK economic interests in an open and expanding global economy.

PSA 6 By 2008, deliver a measurable improvement in the business performance of UK Trade and Investment's 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. (Joint with the Department of Trade and Industry)

Objective VI: Sustainable development, underpinned by democracy, good governance and human rights.

PSA 7 To increase understanding of, and engagement with, Islamic countries and communities and to work with them to promote peaceful political, economic and social reform.

PSA 8 To promote sustainable development, underpinned by democracy, good governance and human rights, particularly through effective delivery of programmes in these and related fields.

Objective VII: Security of UK and global energy supplies.

Objective VIII: Security and good governance of the UK's Overseas Territories.

Objective IX: 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. (Entry clearance through UK Visas.)

PSA 9 Effective and efficient consular and entry clearance services, as measured by specific underlying targets.

Annex II

Full text of the FCO's SR02 2003-06 PSA

AIM

Promote internationally the interests of the United Kingdom and contribute to a strong world community.

Objective I: a secure United Kingdom within a safer and more peaceful world.

PSA 1 Reduce the threat to the UK from international terrorism and the proliferation of weapons of mass destruction. Reduce international crime, drugs and people-trafficking affecting the UK, measured by Whitehall-wide targets. Contribute to the reduction of opium production in Afghanistan, with poppy cultivation reduced by 70% within 5 years and elimination within 10 years.

PSA 2 Reduce tension in South Asia, the Middle East, Balkans and elsewhere through action with our international partners, paying particular attention to regions at risk from nuclear confrontation.

PSA 3 Strengthen European security through an enlarged and modernised NATO, an effective EU crisis management capacity and enhanced European defence capabilities. (Joint target with the Ministry of Defence)

PSA 4 Improve effectiveness of the UK contribution to conflict prevention and management as demonstrated by a reduction in the number of people whose lives are affected by violent conflict and a reduction in potential sources of future conflict, where the UK can make a significant impact. (Joint target with the Ministry of Defence and the Department for International Development)

Objective II: enhanced competitiveness of companies in the UK through overseas sales and investments; and a continuing high level of quality foreign direct investment. (Through UKTI)

PSA 5 Deliver measurable improvement in the business performance of UKTI's customers; and maintain the UK as the prime location in the EU for foreign direct investment. (Joint target with the Department of Trade and Industry)

Objective III: increased prosperity and a better quality of life in the UK and worldwide, through effective economic and political governance globally.

PSA 6 Secure agreement by 2005 to a significant reduction in trade barriers leading to improved trading opportunities for the UK and developing countries. (Joint target with the Department of Trade and Industry and the Department for International Development)

PSA 7 Make globalisation work for sustainable development in the UK and internationally (and particularly in Africa) by promoting democracy and the rule of law, good economic and environmental governance, and security of long-term energy supply, measured by specific underlying targets.

Objective IV: a strong role for the UK in a strong Europe, responsive to people's needs.

PSA 8 A modern, reformed, and enlarged EU, as measured by progress towards UK policy priorities including economic liberalisation, CAP reform, justice and home affairs, an effective CFSP, and the 2004 IGC; and greater support for Europe in the UK.

Objective V: 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.

PSA 9 Effective advice on, support for, and delivery of Government objectives across the full range of the UK's international interests through a viable and responsive network of diplomatic Posts. Increased influence overseas and improved perceptions of UK and HMG policies, as measured by opinion polls.

Objective VI: 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.

PSA 10 Effective and efficient consular and entry clearance services, as measured by specific underlying targets.

Objective VII: secure and well-governed British overseas territories enjoying sustainable development and growing prosperity.

PSA 11 Improvement in the governance, environment and security of the overseas territories, and more diversified economic development, as measured by implementation of the commitments in the 1999 White Paper.

Value for Money

PSA 12 Improve value for money across the full range of FCO, BBC World Service and British Council activities by achieving year on year efficiency gains of 2.5%.



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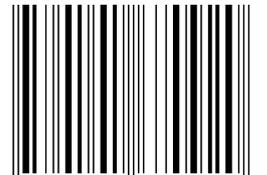
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