



Fourth Report
from the
Foreign Affairs Committee
Session 2005-06

**Foreign Policy Aspects of the
War Against Terrorism**

Response of the Secretary of State for
Foreign and Commonwealth Affairs

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
September 2006*



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FOURTH REPORT OF THE FOREIGN AFFAIRS COMMITTEE

SESSION 2005-6

FOREIGN POLICY ASPECTS OF THE WAR AGAINST TERRORISM

RESPONSE OF THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS

INTRODUCTION

- (i) The Government welcomes the Foreign Affairs Committee's continued interest in the foreign policy aspects of the war against terrorism. The Government has taken careful note of the recommendations made by the Committee in its most recent report. The Government welcomes the Report's conclusions as a contribution to its ongoing foreign policy discussions with the Committee.
- (ii) The Government's responses to the specific conclusions and recommendations in the Committee's report are set out below. The Committee's conclusions are set out in bold type.

CONCLUSIONS AND RECOMMENDATIONS

The ongoing threat from terrorism

We conclude that despite a number of successes targeting the leadership and infrastructure of Al-Qa'ida, the danger of international terrorism, whether from Al-Qa'ida or other related groups, has not diminished and may well have increased. Al-Qa'ida continues to pose an extremely serious and brutal threat to the United Kingdom and its interests (paragraph 15).

1. The Government agrees that Al-Qa'ida and Al-Qa'ida-related groups continue to pose a significant, sustained and long-term threat to the United Kingdom and its interests. Overall, we judge that the scale of the threat is potentially still increasing and is not likely to diminish significantly for some years.

We conclude that the dispersal and fragmentation of Al-Qa'ida into more autonomous local cells mainly linked together by a common ideology will make it more difficult to tackle the threat of international terrorism. We further conclude that the situation in Iraq has provided both a powerful source of propaganda for Islamist extremists and also a crucial training ground for international terrorists associated with Al-Qa'ida (paragraph 21).

2. The Government agrees with the Committee, that the emergence of autonomous local cells who are only loosely affiliated to Al-Qa'ida through shared ideological beliefs has added a complexity to the nature of the threat. The Government has taken this threat into account in its international counter-terrorism agenda.

3. On Iraq, the Government wishes to remind the Committee that international terrorism was on the rise before the necessary Coalition action in Iraq. Evidence of this includes the 1998 Al-Qa'ida attacks in East Africa; the attacks on the USS Cole in Aden in 2000 and on the French naval vessel, the Limburg, off the coast of southern Yemen in 2002. One must also include, of course, the completely unprovoked attacks on the United States in September 2001.
4. The Government's strategy for dealing with this threat includes looking at the many and varied factors that lead to radicalisation. Clearly one of these factors is propaganda about perceived injustices to Muslims around the world, e.g. Bosnia, Chechnya, Palestine, Iraq, or the Danish cartoons. The Government believes that tackling extremist propaganda and ideology is crucial to the success of winning the battle of ideas. Al Qa'ida and Islamic terrorists are operating in Iraq and claim responsibility for a number of the major attacks. They do not have the popular support of Iraqis but are exploiting the security situation in Iraq for their own agendas. Foreign Fighters appear to be a numerically very small proportion of the insurgents, however we assess they are responsible for some of the more horrific attacks against civilians and Iraqi Security Forces.

We conclude that propaganda is one of the major tools in Al Qa'ida's arsenal. We further conclude that progress towards resolving key international conflicts would go some way to removing widespread feelings of injustice in the Muslim world that feed into the causes of and support for terrorism. Although the United Kingdom and its allies recognise this, and are working to resolve these conflicts, they are putting insufficient effort and funding into countering terrorist propaganda. Much greater effort needs to be made to communicate effectively with the Arab and Islamic world in order to bridge the gulf of mistrust that feeds into international terrorism. We recommend that the Government continue to engage with Muslim leaders and clerics who speak out against distorted and extremist versions of their faith. We commend the Government's Engaging with the Islamic World Programme as well as the decision to set up an Arabic BBC World Service television station, but note that it will initially broadcast for only 12 hours a day and be much less generously funded than al Jazeera, which is heavily subsidised by the Government of Qatar. We conclude that much more could be done. We recommend that the Government set out in its response to this Report what plans it has to expand work in this field. We also recommend that the BBC World Service carry out an evaluation of the cost-effectiveness of this expenditure (paragraph 30).

5. We agree that resolving key international conflicts would contribute to undermining the terrorists' use of perceived injustice in the Muslim world in their propaganda. Key to this is the establishment and spread of democracy in the Middle East. Not only would this be conducive to resolving conflict, but it would also be proof that countries and people of all faiths and cultures can live peacefully together, in stark contrast to the image of division and war between

communities and cultures that terrorists seek to promote. In this regard, and as the Prime Minister pointed out in his 1 August 2006 speech in Los Angeles, there is nothing more important to the success of our foreign policy than progress on the Middle East Peace Process, which would help empower moderate mainstream in Islam against reactionary Islam.

6. We also agree on the importance of countering the narratives and propaganda of the extremists and terrorists. We have bolstered our Engaging with the Islamic World work to do so, including an increase in baseline project support for our policy from £4.5 million in 2004/05 to £8.3 million in 2005/06. We have funded over 150 projects in the Muslim world in support of issues such as governance, the position of women in public life, education and human rights, all of which help reinforce political and socioeconomic reform. We also sponsor and participate in dialogues that seek both to challenge misperceptions and stereotypes that extremists propagate and also to build understanding between people of different faiths and backgrounds.
7. We are increasing our work in partnership with governments, civil society, Muslim leaders and clerics to counter extremism and terrorist propaganda. For example, we helped facilitate and fund a major Muslims of Europe conference in Istanbul on 1-2 July that brought together key Muslim religious and civil society leaders to address issues of extremism and identity, culminating in the Topkapi Declaration – a strong rejection of extremism and terrorism (<http://www.muslimsofeurope.com/topkapi.php>). We support British Muslim organisations in running a Scholars Roadshow, which brings international scholars and speakers to the UK to engage Muslim youth on issues of extremism and misinterpretations of Islam that are used by extremists. Messages from the Roadshow are re-broadcast in Arabic and Urdu through the Internet.
8. We have increased the frequency of FCO-facilitated British Muslim delegations overseas to enable them to engage in the debate within Islam, to support modernisation and to counter suggestions that British Muslims are oppressed. We are also increasing our visibility in the Arabic and Urdu media, through regular appearances by FCO spokespersons on the main TV channels, increased placement of newspaper articles and speeches and Ministerial and officials engagement with key non-governmental figures and organisations to discuss our policies and correct misconceptions. We also use our satellite news service – British Satellite News – to transmit free coverage of such issues for incorporation into domestic broadcasting throughout the Islamic world.
9. We are pleased that the Committee welcomes the decision to set up a 12-hour Arabic TV service. BBC World Service has a long-term aspiration to move eventually to a 24-hour service. But it is confident that a 12-hour service will be successful and have impact. A 24-hour service requires additional funding. We consider it prudent to measure the effectiveness of a 12-hour service before

committing more resources. The new service will have a major advantage unavailable to Al Jazeera, namely a capacity to share synergies with the wider BBC, including its renowned global newsgathering capacity. The BBC World Service carried out a full evaluation of the cost effectiveness of an Arabic TV service in its initial proposals for the service.

We acknowledge that there is a problem of what to do with some of the detainees at Guantánamo and that those detained include some very dangerous terrorists. We also conclude that the continuing existence of Guantánamo diminishes US moral authority and adds to the list of grievances against the US. We further conclude that detentions without either national or international authority work against British as well as US interests and hinder the effective pursuit of the ‘war against terrorism’. We conclude that those who can be reasonably safely released should be released, those who can be prosecuted as criminals should be prosecuted and that as many others as possible should be returned to their countries of citizenship. We commend the British Government for its policy of urging the US government to move towards closing Guantánamo (paragraph 46).

10. The Government welcomes the US Administration’s public indications of its desire to see the number of detainees at Guantánamo Bay reduced or the detention facilities at Guantánamo Bay closed down altogether. But the Government agrees that careful consideration needs to be given to how the detention facility at Guantánamo Bay should be closed so that international security is maintained and the human rights of detainees are respected if returned to their countries of citizenship. On 29 June the US Supreme Court gave judgement in the case of *Salim Hamdan v. Donald Rumsfeld et al.* The Court held that the Military Commissions, which had been established to try certain detainees at Guantánamo Bay, did not comply with either US or relevant international humanitarian law. The US Administration is still considering how to respond to the Hamdan decision though it has promised to respect the Court’s decision and produce new legislation aimed at bringing the military commission process more into line with US and international law. We expect the new legislation to be presented to Congress by the autumn.
11. The Government continues to discuss detainee related issues, including Guantánamo Bay, regularly with the US Administration and seeks to ensure that the handling of detainees is consistent with the British Government’s other objectives. These objectives include preventing further terrorist attacks, undermining the work of those who recruit terrorists, and upholding respect for human rights and the rule of law.

We conclude that there has been a lot of speculation about the possible use of rendition to countries where torture can take place, so called “Black Sites” and the complicity of the British Government, all of which would be very serious matters, but that there has been no hard evidence of the truth of any of these

allegations. The British and US governments have categorically denied that either UK airspace, or airports have been used by the US government for rendition or extraordinary rendition since 11 September 2001. We reiterate our strong view that the Government must deal with extraordinary rendition in a transparent manner with timely answers to questions from this Committee. We conclude that it is regrettable that far more detailed information has been given in parliamentary answers to opposition party spokesmen than has been given in response to questions from this Committee (paragraph 58).

12. The Government has made clear that it has found no evidence of detainees being rendered through the UK or Overseas Territories since 11 September 2001. Nor has there been any evidence of detainees being rendered through the UK or Overseas Territories since 1997 where there were substantial grounds to believe there was a real risk of torture. The Government has done everything possible to keep Parliament, including the FAC, properly informed on this issue.

We conclude that despite the reforms adopted by the 2005 UN General Summit, there remain uncertainties over the international legal framework for humanitarian intervention. We recommend that the Government set out in its response to this Report what steps it is taking to establish a consensus on whether and when intervention on humanitarian grounds is permissible (paragraph 66).

13. The Government continues firmly to support the concept of the ‘responsibility to protect’, endorsed for the first time by all UN Member States at the 2005 UN World Summit. At the Summit, world leaders agreed that governments hold the primary responsibility for protecting their own populations from genocide, war crimes, ethnic cleansing and crimes against humanity. Importantly, where States manifestly fail to protect their populations from such crimes, they also agreed that the international community, through the United Nations, has a collective responsibility to do so. If necessary, and as appropriate, this includes using military force authorised by the UN Security Council.
14. The Government continues to work at the United Nations to ensure that the international consensus around the ‘responsibility to protect’ is maintained and that commitments made at the Summit are translated into a willingness to act. Earlier this year, for example, a UK-drafted Security Council resolution reaffirmed the Summit agreement on responsibility to protect (resolution 1674 (2006) on the Protection of Civilians in Armed Conflict). We continue to highlight the issue when relevant in Security Council discussions. We also continue to advocate using a range of options including diplomacy, sanctions, peacekeeping operations and support for the international criminal tribunals to prevent and deter genocide, crimes against humanity and war crimes.

Saudi Arabia

We conclude that there remains a serious terrorist threat in Saudi Arabia, and that this is directed at both the Saudi authorities and foreign interests (paragraph 77).

15. The Government agrees with the Committee that there is a serious threat of terrorism in Saudi Arabia.

We conclude that Saudi Arabia is taking the threat of terrorism very seriously and is providing valuable assistance to the international community in this area. The Kingdom has put in place an effective security-focused strategy targeting individuals and this has had a forceful impact on the Al-Qa'ida presence in the Kingdom. However, we also conclude that the level of regional co-operation could be significantly improved, and recommend that the Government give assistance in this area, setting out in its response to this Report what steps it is taking. We further recommend that the Government pursue with its Saudi counterparts the possibility of a regional terrorism centre headed by Saudi Arabia (paragraph 87).

16. The Government agrees that Saudi Arabia continues to take the terrorist threat very seriously, and it acknowledges the valuable assistance the Saudi Arabian authorities affords the international community. The Government continues to enjoy an effective and productive dialogue with the Government of Saudi Arabia on counter-terrorism issues.
17. In response to the Committee's recommendation, the Government confirms that it is assisting governments in the region, both bilaterally and through multilateral fora, on how to enhance and build co-operation regionally. The Government has already conveyed to the Government of Saudi Arabia that it welcomes the concept of a regional terrorism centre. It would enhance mutual support and co-operation, essential components in the international effort, and would add value to the existing network of counter-terrorism centres in the region. And it would provide for a more effective and timely method of information-sharing and an encouragement to co-operate in a fully transparent manner.

We conclude that Saudi Arabia is taking seriously the causes of terrorism and process of extremist recruitment and has concluded valuable research in this area. We further conclude that Saudi Arabia is pursuing long-term policies to tackle the causes of terrorism. We conclude that the United Kingdom could usefully learn from Saudi Arabia's experience in this field, highlighting the two-way nature of cooperation with the Kingdom (paragraph 99).

18. We welcome Saudi Arabia's increased focus on issues surrounding the process of radicalisation and extremist recruitment. We have developed a strong counter terrorism partnership with Saudi Arabia in this and other areas from which both countries are benefiting.

We conclude that despite a number of reform steps, the political environment remains severely constrained in Saudi Arabia. This raises serious concerns, and in the context of glaring socio-economic disparities, could feed into extremism and the causes of terrorism. Nevertheless, we conclude that the Saudi reform process must be domestically driven; perceived interference by the international community could be counterproductive (paragraph 128).

19. The Government agrees that the political environment in Saudi Arabia is severely constrained, but welcomes the positive developments of the past year that have been highlighted in the Committee's report. We share the view that whilst modest by international standards these limited, careful steps are groundbreaking by Saudi standards and open the door to further reform. To be sustainable, the nature and pace of reform should be appropriate to Saudi circumstances and domestically driven. That said, there is scope for the United Kingdom to engage on reform issues, as highlighted by the Two Kingdoms Dialogue. We are also working with the Saudis in their efforts to tackle radicalisation and the underlying causes of terrorism in Saudi Arabia; and have stepped up our engagement on support for education and civil society development. Our policy of encouraging social, economic and political reform, rather than trying to impose or direct it, continues.

We conclude that the human rights situation in Saudi Arabia continues to give cause for grave concern. We recommend that the Government continue to make clear that discrimination against women, other human rights abuses which are endemic in Saudi Arabia including discrimination against migrant workers, torture and the shortcomings of the judicial system, breed discontent and fall far short of universal standards. We recommend that the Government set out in its response to this Report what progress was made in this area at the April 2006 meeting of the Two Kingdoms Forum. We further recommend that the Government set out whether it is seeking a memorandum of understanding with Saudi Arabia (paragraph 135).

20. The Foreign and Commonwealth Office shares the Committee's concerns over the human rights situation in Saudi Arabia. We have raised human rights concerns during several bilateral meetings in the past year and will continue to do so.

21. The Two Kingdoms Dialogue in April 2006 brought together parliamentarians, officials, business people and members of civil society from both countries. The discussions included key human rights issues, such as freedom of speech and protection of rights. Saudi women participated on an equal footing with men. We will continue our dialogue with Saudi Arabia in the interests of increased understanding and partnership on reform issues, including through specific follow-up action on education, human rights and social development.

22. The Government is not seeking a Memorandum of Understanding with Saudi Arabia.

We conclude that the United Kingdom's relationship with Saudi Arabia is of critical and strategic importance. Not only is the Kingdom a crucial ally in the international 'war against terrorism', but it is central to many of this country's national interests and meets most of the Government's strategic priorities. We further conclude that while the United Kingdom may not see eye to eye with Saudi Arabia on a number of issues, it is critically important that the two countries remain close and communicative allies. We conclude that Saudi Arabia is a country where a significant British diplomatic presence can make a difference. The stability of Saudi Arabia is vital to the United Kingdom's interests, particularly in the context of the war in Iraq and developments in Iran. We conclude that stability requires significant reform (paragraph 139).

23. Saudi Arabia is indeed strategically important to the UK in many ways. Personal relationships are key to building a constructive working relationship and the Foreign and Commonwealth Office intends to increase our Diplomatic presence to ensure that staff can give enough time to all of the priority areas. We are actively looking at ways to promote stability, both in Saudi Arabia and the wider Gulf region, and engaging with the Saudis on reform issues where we can.

At the time of concluding the drafting of our Report, the United Kingdom's courts had just determined that the Saudi Arabian government is immune, in international law, from being pursued in UK courts in relation to the unjustified detention and alleged torture of British citizens. We recommend that the British Government disclose what it knows about this grave incident and what representations it made on behalf of the British nationals (paragraph 140).

24. In October 2003, the Government provided the FAC with a memorandum on services provided to the British nationals formerly detained in Saudi Arabia. That set out the Government's concerns about the men's detention, and described the Government's repeated and vigorous representations to the Saudi authorities during the men's detentions. Since the men's release, the Government has continued to discuss the men's case with the Saudi authorities. Some of the men sought to make claims through the British Courts for damages against the Saudi State and against named Saudi officials. The case went as far as the House of Lords which led to the judgement on 14 June that both the State and individuals representing the State were covered by the State Immunity Act of 1978 and that the men could not pursue their claims through the British courts. The Government will continue to provide whatever assistance it properly can to the former detainees and their families. The Foreign Secretary has agreed to meet the former detainees to discuss the case.

The United Arab Emirates

We conclude that the UAE is an important ally in the international ‘war against terrorism’. We further conclude that the UAE has taken important steps to improve banking regulation in order to target money-laundering; we welcome the role of British personnel in this area. However, we conclude that there are limits to what regulation of the banking sector can achieve with regard to terrorist financing. We further conclude that important work is being done to tackle the risk of proliferation, in large part through work between the UAE and the USA by mean of the Container Security Initiative (CSI). We recommend that the Government set out in its response to this Report its current position on placing British officials in major ports overseas to improve security for the United Kingdom and its Overseas Territories (paragraph 167).

25. The Government agrees with the Committee that the UAE is an important CT partner. The Emiratis have actively supported counter-terrorism efforts both inside and outside the UAE. The Government agrees that there are limits to what regulation of the banking sector can achieve with regard to terrorist financing. The Government’s strategy is to raise the level of reporting on terrorist financing by encouraging pro-activity and building capacity to better detect and monitor terrorist money in the UAE. To achieve this the Government, working with the Metropolitan Police Service, will engage with the UAE Financial Intelligence Unit, finance investigators, and law enforcement agencies to share the UK’s knowledge and experience of terrorist financing.
26. The Container Security Initiative (CSI) is a system designed to intercept high-risk containerised traffic before it is loaded for transport to the US. It is administered by the Customs Border Protection agency and they liase directly with indigenous Customs personnel of the country where CSI is to be implemented. An important element of CSI is the reciprocity clause that allows a CSI host country to station its own Customs personnel on US soil. Although the United Kingdom is one of 26 countries that have signed up to CSI, only Japan and Canada have acted on the reciprocity clause and have deployed personnel overseas.
27. The Government does work closely with other countries as well as our Overseas Territories to ensure that a high degree of local maritime security awareness is maintained. Government Officials are regularly deployed from London to assess the adherence of UK carriers operating overseas to UK security policy and to review security at port facilities overseas.

We conclude that the public and Congressional concern in the USA at the prospect of a deal that would have given Dubai Ports World control over a number of US ports is very regrettable, and sends the wrong signal to the Arab and Muslim world. However, we conclude that the level of regional cooperation

is not as high as it could be. We recommend that the Government work to support regional efforts at cooperation where appropriate and that it set out in its response to this Report what steps it is taking in this regard. We conclude that as a Muslim country, the UAE has an important role to play in countering sources of terrorism, such as religious teaching and education system; indeed the Federation's leaders have provided bold and courageous leadership in this regard. We further conclude that the UAE's experience in this area could provide useful lessons for the United Kingdom. (paragraph 168).

28. We refer the Committee to the response to paragraph 87 regarding the Government's efforts to support regional counter-terrorist cooperation. We are assisting governments in the region, including the UAE, bilaterally and through multilateral fora on how to enhance and build cooperation and welcome Saudi Arabia's concept of a regional terrorism centre. We stand ready to work with regional partners to realise this idea.

29. We welcome the UAE leadership's awareness of the causes of radicalisation and its willingness to address them through reform of religious teaching and the education system. We will continue to compare notes and to draw any lessons we can from the UAE experience.

We conclude that there is a serious democratic deficit in the UAE, although informal channels of consultation appear to go some way to address the needs of the population. We recommend that the Government work to support moves towards democratisation in the UAE, offering assistance wherever appropriate (paragraph 173).

30. Whilst we accept that there is a democratic deficit in the UAE, this deficit is unlikely to translate into extremism given the limited public demand for reform and the fact that traditional consultation appears to work effectively. Nevertheless we continue to support the reforms initiated by the UAE leadership and encourage them to do more. The UAE President announced a move to partial election of the UAE's Federal National Council (FNC) in December 2005. The newly established Ministry of FNC affairs is working on procedural issues for the forthcoming elections and we have provided the Minister with some information on electoral systems in the UK.

We conclude that there remain areas of human rights concern in the UAE, notably the treatment of foreign workers. We recommend that the Government work to encourage the UAE to sign up to the remaining ILO rules and improve the status of foreign workers. We further conclude that there have been serious efforts to improve the situation of child jockeys, nevertheless, we recommend that the Government remain seized of this issue and remind the UAE of the need to protect children (paragraph 182).

31. We are aware that there is disparity of the labour rights afforded to UAE nationals and foreign workers. The Ministry of Labour is working closely with the International Labour Organisation (ILO) on labour issues, and has recently announced that they are drafting a new law that will allow the formation of trade unions and collective bargaining. We will closely monitor the scope and implementation of this new law.
32. The UAE authorities have indeed made serious efforts to abolish the use of child jockeys in camel races and should be congratulated. We continue to monitor these efforts to ensure that they are being upheld.

Israel-Palestine

We conclude that the recognition given to the state of Israel in President Abbas's proposed 18-point peace plan is welcome but that the recognition should be explicit rather than implicit. We recommend that the FCO state whether or not it favours the holding of a national referendum in the Palestinian territories on President Abbas's 18-point peace plan (paragraph 187).

33. We continue to welcome Palestinian President Mahmoud Abbas' 18-point peace plan. We welcome any movement toward the three Quartet principles: renounce violence, recognise Israel and accept all previous agreements, including the Roadmap. On 25 June the Fatah and Hamas negotiators initialled a text based on the Prisoners Accord. But, the leaders have not yet signed it. We need to see the detail of what has been agreed and how it will be implemented.

We conclude that the Government is correct to refuse to deal directly with Hamas. We recommend that, until Hamas accepts the existence of Israel and commits itself to both to a two-state solution and exclusively peaceful means of achieving its goals, the Government should continue to refuse to deal with it directly. However, we further recommend that the Government continue to work with President Abbas, work with international organisations and non-governmental organisations in order to assist the Palestinian people, and seek out, where feasible, 'back channels' in order to facilitate movement towards negotiations between the Palestinians and Israelis (paragraph 192).

34. We welcome the Committee's recommendation. The former Foreign Secretary (Jack Straw) suspended contacts between UK officials and Hamas in June 2005. Before that UK officials had met two elected Hamas mayors not personally implicated in violence. Hamas know what they have to do for the international community to engage with them, renounce violence, and recognise Israel and all previous obligations and agreements including the Roadmap.
35. But it is essential that we continue to work towards our national and regional priorities. One of the ways we do this is by contributing to a wide range of international fora, such as the UN. We attend these fora in the normal course of

events and the possible presence of Ministers from the Hamas-led government or Hamas officials will not change this. UK Ministers and officials will however avoid all bilateral contact with Hamas at these events, in line with our policy of non-contact.

36. We will continue to work with Palestinian President Mahmoud Abbas to take the peace process forward. We welcome President Abbas' recent efforts to improve the security situation in Gaza through the National Dialogue and his commitment to negotiations. We welcome Prime Minister Olmert's and President Abbas' commitment to negotiations and urge both sides to resume negotiations as soon as possible. We remain committed to the principles of a negotiated two-state solution and continue to work towards a just, viable and lasting peace. It is important that both parties can move forward from recent events in Gaza and continue to work together towards a negotiated settlement.
37. On 12 June the Prime Minister met with Israeli Prime Minister Olmert in London to discuss the Middle East Peace Process. The Prime Minister made clear that the priority now is negotiations. These are manifestly the best way to move this process forward. But if negotiations do not take the process forward then other ways to advance it will have to be found. It is the role of the international community to give negotiations the best chance of success.

We conclude that the Government was right to refuse to channel its aid through a Palestinian administration led by Hamas, and we endorse the Government's support for the policy set out by the Quartet in the London statement of 30 January. However, it is important that the Palestinian people are not punished for exercising their rights as voters and we support the subsequent decision to create a mechanism for channelling aid directly to those who most need it. We recommend that the Government act with all speed to ensure that this mechanism is fully implemented and that it has the desired effect of averting an economic and humanitarian disaster in the Palestinian territories. We further recommend that the Government, in its response to this Report, set out what steps it is taking to avert an economic and humanitarian crisis in the Palestinian Territories (paragraph 197).

38. We welcome the Committee's recommendation that aid should not be channelled through a Hamas-led Palestinian Authority government. Following the Hamas-led Palestinian Authority's failure to commit to the three Quartet principles the UK and other key donors suspended direct budgetary assistance to the PA. We remain committed to supporting the Palestinian people.
39. We have repeatedly emphasised our wish to help meet basic needs of Palestinian people. The UK has led international efforts to find other ways of helping the Palestinians, including through the "Temporary International Mechanism." On 25 April, we gave £15 million to UN Relief and Works Agency.

40. With a range of partners, we have worked hard to establish the “Temporary International Mechanism” to help alleviate the suffering of the Palestinian people. The G8 Summit on 16 July called for an expansion of this mechanism. The European Community has already committed €105 million to the mechanism and the UK intends to contribute up to £12 million. This will enable us to provide support in the health sector, to fund utilities and to give welfare allowances to some of the poorest Palestinians. Fuel payments have now been made through the Mechanism for hospital generators, water pumps and water treatment plants. The delivery of fuel has allowed the continued provision of essential health services to over 90,000 patients and access to water for some 1.2 million people in Gaza.
41. We remain concerned by the economic and humanitarian situation in Gaza. The UK has led international efforts to help the Palestinian people. One way we have done this is to push for the Temporary International Mechanism to be set up as soon as possible.

We reiterate the Committee’s previous conclusions on the illegality of the current route of the separation barrier and underline our concerns about the impact it is having on the lives of ordinary Palestinians. We recommend that the Government continue to make the strongest representations to the Israeli authorities to align the route of the barrier with the 1967 border and that it raise the question of the present alignment of the barrier in international fora such as the new United Nations Council on Human Rights (paragraph 206).

42. We fully recognise Israel’s right to self-defence. But the barrier’s route should be on or behind the Green Line, and not on occupied territory. Construction of the barrier on Palestinian land is illegal. The route is particularly damaging around East Jerusalem, as it risks cutting the city off from the West Bank and dividing the West Bank in two. We will continue to raise our concerns with the Israeli government.

We conclude that satisfactory road and rail links between Gaza and the West Bank are essential for the creation of a viable Palestinian state. We recommend that the Government intensify the international efforts being made to achieve progress with these projects and provide the Committee with a full statement of the latest position in its response to this Report (paragraph 213).

43. We agree that satisfactory road and rail links between Gaza and the West Bank are essential for the creation of a viable Palestinian state. We continue to call for both sides to implement the 15 November 2005 Agreement on Movement and Access. The Agreement included an interim agreement on escorted bus convoys and truck convoys. There is not yet agreement on a permanent arrangement.

We conclude that there is little prospect of the Israelis and Palestinians reaching any agreement on the way forward without substantial commitment and engagement by the Quartet, by regional players and above all by the USA. We recommend that the Government do everything possible both bilaterally and through international mechanisms to encourage both parties to implement their Road Map obligations (paragraph 222).

44. We remain fully engaged with the Israelis, Palestinians and other international partners to take the peace process forward. We believe that the Roadmap remains the best way forward in creating a two-state solution and the establishment of a just and lasting peace. It provides for a viable state of Palestine alongside the State of Israel, both secure and respected within recognised borders, as set out in UN Security Council Resolutions 242, 338 and 1397 and the principle of land for peace. Both Parties need to fulfil their obligations in order for this to become a reality.

Iraq

We conclude that the continued deterioration in the security situation in Iraq is extremely worrying, as are the deepening sectarian and ethnic dimensions of the violence. We further conclude that Iraq's neighbours have yet to take sufficient steps to prevent the movement of insurgents across Iraq's borders, although we note that the length and porous nature of these borders make this task extremely difficult (paragraph 232).

45. The Government shares the Committee's concern about the current levels of violence in Iraq, which are the highest recorded since April 2003. The violence remains heavily concentrated in four provinces – Baghdad, Diyala, Salah-ad-Din and Anbar – with some significant violence also seen in Basra in recent months. Much of the rest of Iraq remains relatively calm.
46. The security situation in and around Baghdad is of particular concern. That is why the Iraqi Government and Multinational Forces have implemented, and recently enhanced, a Baghdad Security Plan – the aim of which is to reduce current levels of violence, and reassert Iraqi Security Force control over the capital. It is critical that the Iraqi Security Forces regain a monopoly on the use of force. Prime Minister Maliki has made it his highest priority to accelerate the development of the Iraqi Security Forces to that end.
47. Iraq's neighbours have a vital role to play in helping prevent cross-border movements of people and equipment, which might help fuel the current violence. The security and the monitoring of borders is also a key task for Iraq's own Security Forces and the Coalition. We have made considerable progress in strengthening the Iraqi Department for Border Enforcement, and will continue to make this a priority.

We conclude that despite continued hard work to build up the Iraqi Security Forces, and the dedication and bravery of many of the members of those forces, they remain a long way from being able to take the lead on security across Iraq. We further conclude that relying on Shiite and Kurdish communities to build up the Iraqi Security Forces has contributed to the development of sectarian forces and that this is regrettable in the volatile security and political environment in Iraq. We recommend that the Government continue to work with its international partners to address this problem and make clear to the Iraqi authorities the importance of legitimate national security forces. We further recommend that the Government set out in its response to this report what steps it is taking to assist the Iraqi authorities to establish a security infrastructure that respects human rights (paragraph 238).

48. The development of capable, legitimate and representative Iraqi Security Forces, which respect human rights and promote the rule of law, is one of the highest priorities both of the Iraqi Government and of the Multinational Force.
49. A lot of progress has already been made towards this goal. The Iraqi Army is now some 104,000 strong (larger than the trained strength of the British Army), and increasingly capable. It is leading more and more operations and its capacity to plan, execute and sustain counter insurgency operations is continuing to improve. Higher level command and control, logistics, equipment husbandry and intelligence still require development. The MNF is working with the Iraqi Army on developing this through specialist training and capacity building programmes in the Iraqi Ministry of Defence. We do not believe that the Army is over-reliant on Shia and Kurdish recruits. The Army is recruited nationally to serve nationally. All the evidence we have indicates that its make-up broadly mirrors that of Iraq as a whole.
50. Intensive training of the Iraqi police also continues and 135,000 will have been trained by the end of 2006. The Police are now discharging their basic duties effectively in most provinces. But some serious shortcomings remain, notably at the centre in the Interior Ministry, and in the police forces in major cities such as Baghdad and Basra. Reform of the Interior Ministry is a high priority for the Iraqi Government. On 20 July, the Iraqi Interior Minister announced his intention to professionalise the police service through training, including human rights training, and taking action against those policemen who act illegally.
51. The Iraqi Security Forces are already playing a leading role in many areas in providing security. The first entire province in which lead responsibility for security has been transferred to the Iraqi civilian authorities was Muthanna, in the south, in July 2006. The Iraqi Police Service is now the lead provider of security in Muthanna, backed as necessary by the Iraqi Army. We expect other provinces to follow suit in the coming months.

52. The Multinational Force continues to run extensive training and mentoring programmes to develop the Iraqi police. We are assisting by providing professional skills training and infrastructure support in recruitment, vetting, internal affairs investigation and prosecution services. In all our programmes, we are working to establish systems that ensure respect for human rights. We have conducted a range of human rights training of officials and members of the ISF. This includes modules on human rights in police training programmes, training prison monitors from the Iraqi Human Rights Ministry and strengthening the Human Rights Ministry itself. We urged the appointment of non-sectarian ministers to these Ministries, and regular meetings of the Iraqi Ministerial Committee on National Security, to exercise Iraqi political control over security issues – both of which have been achieved.

We recommend that the Government set out in its response to this report the circumstances under which it would withdraw British Forces from Iraq. We further recommend that the government set out in its response to this report the findings of the ‘Joint Committee to Transfer Security Responsibility’ (paragraph 245).

53. The Multinational Force, of which the UK forms a part, is committed to remaining in Iraq until our job is done – or the Iraqi Government asks us to leave.
54. The Joint Committee to Transfer Security Responsibility is a standing body composed of representatives from the Iraqi Government, Multinational Force, and the US and UK Governments. It meets regularly and makes recommendations on the readiness of individual provinces or cities for transfer of the lead responsibility for security from the MNF to the Iraqi local authorities. These recommendations are then put to the Iraqi Prime Minister for decisions.
55. The JCTSR makes its recommendations on the basis of assessments of the threat level; the Iraqi Security Forces’ ability to take on the security task; the capacity of provincial bodies to govern effectively; and the posture and support available from Coalition Forces after the transfer of lead security responsibility.
56. The JCTSR recommended to Prime Minister Al-Maliki in June that Al-Muthanna should be the first province to be transferred in this way. Prime Minister al-Maliki agreed and announced this decision on 19 June. The formal handover in Al-Muthanna took place on 13 July. The JCTSR is now considering recommendations in respect of further provinces.
57. Under this agreed process, the Multinational Force will retain for a period following hand-over the capability to reintervene in any province if necessary in order to support the Iraqi Security Forces. The size and location of this residual capability will necessarily vary from province to province. In the case

of Muthanna, no multinational forces are any longer based in the province. The MNF troops providing this 'overwatch' capability are now based in neighbouring Dhi Qar.

We conclude that, in the context of the insurgency, and the appalling level of violence, detention will continue to be necessary; however; the level of such detentions is a problem for coalition forces too and for the United Kingdom's image in the region. Wherever and whenever possible such detainees should be handed over to the Iraqi government for trial. We recommend that the Government set out in its response to this report the current number and status of detainees held by the United Kingdom in Iraq, including the basis for their detention, as well as any plans to transfer them to Iraqi or US custody or to subject them to due judicial process. We also recommend that the government provide in its response the latest information it has as to the number of detainees held by the USA in Iraq and the number being held by the Iraqi authorities (paragraph 247).

58. We welcome the Committee's conclusion that security detention continues to be necessary. On 14 July 2006 the UK contingent of the Multinational Force in Iraq (MNF-I) was holding 76 security detainees. At 27 July 2006 the US MNF-I contingent was holding 13,250 security detainees. The UN resolution refers to internment but it is common practice to refer to security detention in Iraq. In this reply the terms are used interchangeably.
59. Security detainees held by UK forces in Iraq are detained under the authority conferred by United Nations Security Council resolution (UNSCR) 1546 (2004). This resolution authorises the MNF-I to take all necessary measures to contribute to the maintenance of security and stability in Iraq, in accordance with the letters annexed to the resolution, including by preventing and deterring terrorism (see paragraph 9 of UNSCR 1546 (2004)). The annexed letters from former Prime Minister Ayad Allawi and former US Secretary of State Colin Powell make clear that the measures which the MNF-I is authorised to take include "internment where this is necessary for imperative reasons of security". The mandate of the MNF-I as set out in UNSCR 1546 was extended by UNSCR1637 (2005) until December 31st 2006.
60. UK forces in Iraq take their responsibilities very seriously and only detain individuals under the authority conferred by UNSCR 1546 where they assess that detention is necessary for imperative reasons for security. This is to protect Iraqi civilians from acts of violence and terrorism as much as to protect the MNF-I.
61. Detainee cases are reviewed on a monthly basis by Multi-National Division (South East) whilst a joint Iraqi/coalition detention committee reviews cases after eighteen months to assess whether continued internment is necessary. Wherever possible those individuals held in security detention are transferred

for prosecution into the Iraqi criminal justice system. There are currently no plans to transfer large numbers of security detainees held by UK forces to Iraqi or US custody. Individual cases may, however, be considered for transfer to the Iraqi criminal justice system or between detaining powers.

62. The United Nations has recently reported that the total number of people in detention in Iraq stands at approximately 28,700. This indicates that the Iraqi authorities are detaining approximately 15,700 individuals. We are working closely with the Iraqi authorities to ensure that these detainees are held in appropriate conditions and in accordance with Iraqi law and Iraq's international obligations.

We conclude that the Government is making slow progress towards resolving the issue of how to regulate private military and security companies. This is regrettable given the increase in the use of such firms in Iraq and else. We recommend that the Government accelerate its efforts in this area and that it set out in its response to this report what measures it plans to take (paragraph 253).

63. The Government agrees on the need to resolve the issue of how to regulate the overseas activities of private military and security companies. The Government is continuing to consider in detail the regulatory options. In particular, we are examining the complex issue of effective policing and enforcement. The Government will inform the FAC of its plans once these are clear.

We commend the continued commitment of ordinary Iraqis to the democratic process in Iraq and are impressed by the obvious desire on the part of ordinary Iraqis to achieve a more representative political system. We reiterate the conclusion of our predecessor Committee that it is essential that the international community, and especially the US and United Kingdom, refrain from interfering in Iraqi politics and decision making. Nevertheless, there is an important continuing role for the international community in support of the democratic government in Iraq. We recommend that the Government do all it can to facilitate the UN's role in Iraq, both in terms of providing security assistance in Iraq and through support in the Security Council. We recommend that the Government set out in its response to this report what progress has been made on providing security to the UN in Iraq and what plans there are to facilitate a greater UN presence. We further recommend that the government set out in its response to this Report the progress made in establishing EU assistance to Iraq (paragraph 261).

64. We welcome the Committee's recognition of the progress made in the democratic process in 2005. The high level of participation, across all communities, for both the referendum on the new constitution in October (63%), and general election in December (75%), was a major achievement in which the international community played a key role.

65. The Committee is correct to highlight the importance of non-interference in Iraqi political affairs, and, in the light of significant challenges which still remain, the important role which the UN and international community should continue to play in providing strong support to the Government, Council of Representatives and other authorities. We believe that such assistance must be Iraqi-led and have a strong role for the UN, international financial institutions and regional organisations. We agree a continued role for UNAMI is important in this respect. The UK has encouraged countries to provide security and administrative support to the UN to enable them to fulfil their role in Iraq.
66. The new constitutionally elected Iraqi government, under Prime Minister Maliki, has clearly marked a new phase in international community engagement with Iraq. The International Compact for Iraq should provide a strong framework for much greater international support to Iraq. The International Compact was formally launched on 27 July 2006. The Compact is jointly chaired by the Government of Iraq and the United Nations, with the support of the World Bank.
67. Its aim will be, over the next five years, to bring together the international community and multilateral organisations to help Iraq achieve its national vision of becoming a united, federal and democratic country, at peace with its neighbours and itself, well on its way to sustainable economic self-sufficiency and prosperity and well integrated in its region and the world. The Iraqi government is clear that this should include progress on political inclusion and consensus building, the rule of law, and the establishment of professional security forces. As a result of this initiative, we hope to see much wider international support for helping Iraq on the path to greater stability.
68. The new government has also marked a clear turning point in EU engagement with Iraq, with some partners now more willing to come on board. We hope that the EU will be a key contributor to the International Compact. There have been several positive steps already. An updated Commission Communication in June 2006 outlines the EU's strategy for future engagement with Iraq and identifies key areas for EU help. These include consolidation of democratic government to overcome divisions; greater security by underpinning the system of rule of law and promoting respect for human rights; support for Iraq's economic recovery and support for national and regional authorities to develop an effective and transparent administrative framework, which should also improve the delivery of basic services.
69. The European Council has made clear commitments to assist Iraq with the transitional process, security and reconstruction, consistent with UN Security Council Resolution 1546. Most recently, the June 2006 European Council Conclusions set out a clear call for "enhanced engagement with the new government at all relevant levels." Whilst there is clear political support for Iraq, from 2007 onwards EU funding will be reduced from €200m in 2006 to €100m to 2007 and further reductions from 2008 onwards.

We conclude that concerns over Iranian involvement in Iraq reinforce the need for dialogue and engagement with Tehran. We recommend that the Government engage with both its Iranian and Iraqi counterparts to ease concerns in this area and that it work to encourage Washington to take a similar approach. We further conclude that serious concerns exist over Iranian involvement in Iraq and that the organisation, weaponry and technology for a number of terrorist incidents in Iraq have emanated from within Iran (paragraph 265).

70. We agree that aspects of Iran's role in Iraq are of serious concern, particularly apparent support provided to extremists who are carrying out attacks against the Multinational Forces. Our assessment remains that the nature of some explosive devices used against British troops and elsewhere in Iraq leads us either to Iranian elements or to Lebanese Hezbollah, which has very close links to Iran. We continue to investigate.
71. We have raised our concerns with Iranian officials, as has the Government of Iraq. We continue to press Iran to cut its links with Iraqi illegal armed groups and to do more to improve border security and fight terrorism. We have reminded Iran that there can be no justification for any country to encourage violence against the multinational force in Iraq, which is there at Iraqi request and under a UN mandate.

We conclude that the reconstruction process has been made extremely difficult by the insurgency, both by sabotage and by the level of violence to personnel involved; however, the lack of progress risks dissatisfaction with the political process. We recommend that the Government set out in its response to this Report its plans to make reconstruction efforts more effective as well as its plans, if any, to take part in setting up Provincial Reconstruction Teams in Iraq (paragraph 275).

72. To promote reconstruction in Iraq, DFID's aim is to strengthen the ability of the Government of Iraq to use its extensive natural resources for the benefit of the Iraqi people. Without increased public investment, reform of the oil industry and better public financial management including tackling waste and corruption, Iraq will be unable to use either foreign aid or its own substantial oil revenues effectively. DFID is therefore focusing on building Iraqi capacity, including through the International Compact (see above). In support of this, DFID is currently providing assistance for essential economic reforms, and helping to build stronger policymaking and administrative expertise at the centre of government.
73. In addition to this, DFID is delivering three major electricity projects which will add or secure 290MW to the national grid (enough power to supply around 40,000 homes) and three water projects which will deliver clean drinking water for an estimated 750,000 people. All are due to end over the course of the next year.

74. DFID keeps its projects under constant review to assess whether they remain effective despite limitations imposed by the security situation, and has explored new ways of working – including remote working – to enable us to deliver our projects. This applies to both physical infrastructure projects and capacity-building programmes. Our first priority is the safety of our staff and employees; security, rather than lack of funding, is the main obstacle to us having an impact more quickly.
75. The UK set up a Provincial Reconstruction Team (PRT) in Basra in May 2006. The PRT reached full operating capability on 17 July 2006. The broad aim for the PRT is to maximise the impact of international assistance in the region. Through the combined application of UK civilian and military effort and wider US and Danish programmes, the PRT serves to act as a hub for multinational capacity building; the exchange of best practice; and the promotion of coherent and efficient use of resources as part of a comprehensive approach. The PRT's work is focused on Governance, Rule of law, and Economy/Infrastructure.

We conclude that conditions remain extremely difficult for British personnel in Iraq and commend the good work they are doing in testing circumstances. We recommend that the Government update in its response to this report on the number of British personnel in Iraq, their location and its plans to improve facilities further (paragraph 279).

76. We are grateful for the Committee's commendation of the work being done by British personnel in Iraq. Work has been undertaken on the Baghdad and Basra Embassy sites to improve the standard of living for British personnel. At present some 727 British civilian personnel are employed by HMG in Iraq. (This includes contractors, but excludes MOD civilian political advisers and liaison officers to the military.) There are currently some 7,200 UK military personnel deployed in Iraq.

We conclude that the deterioration in the security situation and the continuing difficulties in relations with the local communities in Basra are deeply worrying. We commend efforts that have been made to build bridges and repair relations. We recommend that the government set out in its response to this Report what further steps it is taking to improve the situation in the four southeastern provinces of Iraq and to bring about a resolution of the differences between Shiite groups (paragraph 286).

77. We share the Committee's concern about the security situation and the quality of local governance in Basra. Our military and civilian representatives continue to work hard with the Iraqi Government in Baghdad, the Basra Provincial Council and the local Iraqi Security Forces (ISF) to secure improvements in the security situation for all Basrawis.

78. We welcome the priority which Prime Minister Maliki and the Iraqi Government have attached to resolving underlying local political problems and thus address security concerns in Basra. The recent appointment of a 3-strong Committee to oversee the implementation of the Basra Security Plan is a welcome step forward.

We conclude that there remain significant disagreements about the timing of the decision to go to war in Iraq. We recommend that the Government set out in its response to this Report the chronology of when decisions were made with regard to the Iraq war, including publication of the memorandum of the conversation between the Prime Minister and President Bush on 31 January 2004 (paragraph 291).

79. We recognise that the decision to take military action in Iraq remains controversial. The Government's view was and remains that authority for military action was based upon UN Security Council Resolutions 678, 687 and 1441. Our post-conflict military presence in Iraq has been based on by UN Security Council Resolutions 1483, 1511, 1546 and 1637. The decision to take military action in Iraq was supported by a large majority in the House of Commons in a vote on 18 March 2003. The FCO Parliamentary Relations and Devolution Team wrote to the Clerk of the Foreign Affairs Committee on 12 June 2006 explaining that the FCO does not hold a record of the Prime Minister's 31 January 2003 conversation with President Bush.

UN Resolutions

November 1990 – UN Security Council Resolution authorised the use of “all means necessary” to end the Iraqi occupation of Kuwait.

April 1991 – UN Security Council Resolution 687 authorised the end of Coalition operations in Kuwait and set a number of conditions including that Iraq must declare all of its weapons of mass destruction and unconditionally accept their destruction.

November 2002 – UN Security Council Resolution 1441 declared Iraq to be in material breach of previous resolutions and set out procedures for the conduct of inspections and the consequences of non-cooperation and non-compliance.

May 2003 – UN Security Council Resolution 1483 established the legal framework in Iraq following the conflict, calling on the UK and US to promote the welfare of the Iraqi people and the creation of conditions in which the Iraqi people could freely determine their future. The resolution provided for the UN’s initial role in Iraq; noted the establishment of a Development Fund for Iraq (comprised of Iraq’s oil revenues and frozen assets of the previous regime); and provided for the termination of the Oil for Food programme.

October 2003 – UN Security Council Resolution 1511 affirmed that the administration of Iraq would progressively be undertaken by the Iraqi Interim Administration and called on the Governing Council to provide a timetable and programme for the drafting of a constitution and elections. The resolution also authorised a Multinational Force to maintain security and stability in Iraq.

June 2004 – UN Security Council Resolution 1546 endorsed the formation of a sovereign Interim Government on 1 June 2004, which assumed full responsibility for governing Iraq. The resolution also endorsed the timetable for Iraq’s further political transition and developed the role of the UN, giving it a leading role in political facilitation, electoral and constitutional support as well as in assisting reconstruction and development, humanitarian assistance and human rights. The resolution amended the roles of the Multinational Force and Development Fund for Iraq to reflect the establishment of a sovereign Iraqi government.

November 2004 – UN Security Council Resolution 1637 extended the authorisation for the Multinational Force and the Development Fund for Iraq until the end of 2006, with provision for a further review in the interim.

Iran

We conclude that there is clear cause for international concern over Iranian nuclear intentions and a number of substantive issues have yet to be resolved, as spelled out in successive IAEA reports. We further conclude that the Government is correct to take extremely seriously the possibility that Iran is seeking to acquire nuclear weapons. A nuclear-armed Iran would radically alter the security geography of the region and would lead other countries to seek nuclear weapons or guarantees themselves (paragraph 303).

80. We agree. The nature of Iran's nuclear activities, its history of concealment and its failure to take the essential steps required by the IAEA Board, have all contributed to international concerns. The recent reports of Dr Mohammed El-Baradei, the IAEA Director-General, make clear that Iran is failing to cooperate adequately with the IAEA or to take steps that would address these concerns. Iran urgently needs to suspend all its enrichment-related and reprocessing activities and meet the other requirements of the IAEA Board and the Security Council. We will continue our active diplomatic efforts to encourage Iran to take these steps and to agree long-term arrangements that allow the international community to be fully confident that its nuclear programme is for solely peaceful purposes.

We conclude that despite achieving a high degree of international agreement about the need to address Iran's nuclear ambitions, there has been a worrying lack of consensus among the Permanent Members of the UNSC on how best to tackle this problem. We commend the Government's commitment to diplomatic efforts to resolve the nuclear standoff with Iran. We sincerely regret the breakdown of negotiations in 2005 and Iran's resumption of enrichment activities. We commend the international consensus achieved among members of the IAEA Governing Board and the efforts taken to maintain this consensus in the decision to report Iran to the UN Security Council. We also commend renewed efforts by the EU3 to resolve the crisis by diplomatic means and we recommend that the Government keep us informed of the progress of these negotiations (paragraph 312).

81. We agree that there is a high level of consensus about the need for Iran to address international concerns. Our efforts to find a diplomatic solution have also won broad support. We are working extremely closely, not just with France and Germany, but also the US, Russia and China. This has resulted in far-reaching and imaginative joint proposals, which were presented to Iran by Javier Solana on 6 June. We have also worked closely together on Security Council Resolution 1696, adopted on 31 July.

82. We remain committed to efforts to find a negotiated solution. Our 6 June proposals remain on the table and we continue to urge Iran to take the positive path on offer. If Iran suspends its enrichment-related and reprocessing

activities, as required by the IAEA Board, we are prepared to suspend further activity in the Security Council.

We commend the high-level cooperation between the United Kingdom, France and Germany in their negotiations with Iran. We conclude that US engagement will be an essential component of any lasting agreement and commend US involvement in the current EU3 diplomatic initiative. We recommend that the Government use its close relationship with the USA to encourage it to engage further with Iran and that it set out in its response to this Report what steps it is taking to do this (paragraph 324).

83. We agree that close co-operation between European countries has been instrumental in building up an international consensus. We have also been working very closely with the US and other partners. We welcome the historic announcement by Dr Rice on 31 May that if Iran suspends its fuel cycle activities as required by the IAEA Board, the US is prepared to join future E3/EU talks with Iran. We also welcome the decision of the US to support the E3+3 proposals presented to Iran on 6 June. We remain in close touch with US policymakers at all levels and will continue our efforts to ensure that our approaches are complementary and mutually reinforcing.

We conclude that a broad range of options are available to the international community with regard to Iran, but that some are fraught with difficulty. We further conclude that in the interest of legitimacy as well as effectiveness it is highly desirable that maximum international consensus is maintained on any action taken against Iran (paragraph 332).

84. We agree. We welcome the high degree of consensus that has been achieved and will work to maintain it. The IAEA Board Resolution on 4 February which reported Iran to the United Nations Security Council was supported by 27 countries (including Russia, China, India, Brazil and Egypt) with five abstentions and only three countries (Cuba, Venezuela, Syria) dissenting. The Security Council issued a Presidential Statement on 29 March that was agreed by consensus and, on 31 July, the Security Council adopted Resolution 1696 by 14 votes to one (Qatar). A very wide range of countries has expressed support for the E3+3 proposals and our efforts to find a diplomatic solution.

We conclude that military action against Iran would be likely to unleash a host of extremely serious consequences both in the Middle East and elsewhere and would not be guaranteed to prevent Iran from developing nuclear weapons in the long term. We further conclude that the Government should not undertake or support military action against Iran until all other options have been exhausted or without broad agreement among its international allies. We also conclude that the lack of international consensus for sanctions against Iran, combined with the extremely worrying prospect of military action, mean that all possible diplomatic efforts must be applied to reaching a negotiated

agreement with Iran: we recommend that the Government make this point absolutely clear to the administration in Washington (paragraph 340).

85. We remain fully committed to finding a negotiated solution. Together with our E3+3 partners, we are pursuing a diplomatic process and making every effort to ensure it succeeds. The E3+3 again demonstrated our commitment to a negotiated solution by drawing up the far-reaching and generous proposals to Iran that Javier Solana presented on 6 June 2006. These would give Iran everything it needs for a modern civil nuclear power generation programme, and economic and political benefits, while meeting international concerns. The proposals remain on the table, as does the E3+3 offer to suspend action at the Security Council if Iran resumes the suspension required by the IAEA Board and the Security Council. The US has explicitly supported the E3+3 proposals and expressed its wish to see Iran return to a full suspension and talks.

We conclude that Iran's position towards the "war against terrorism" has been contradictory, and extremely unhelpful in a number of key areas. Iran continues to have links with terrorist groups, while statements by the Iranian president and denial of the Holocaust are deplorable and cannot be dismissed as empty rhetoric. We commend the Prime Minister's robust response to these comments and recommend that the Government continue to make clear to the Iranian Government that such behaviour and comments are unacceptable (paragraph 353).

86. We agree. Iran's political and material support for Lebanese Hizballah, Palestinian Islamic Jihad and other groups using violence is wholly unacceptable. We have made clear that the comments of President Ahmadinejad denying Israel's right to exist are also wholly unacceptable, and have encouraged the EU, the UN Security Council and other organisations to reiterate the same point. We urge Iran to stop backing groups undermining peace in the Middle East through violence and to support a solution based on the principle of Israel and its neighbours existing side by side in peace and security.

We conclude that the human rights situation in Iran remains extremely unsatisfactory. We recommend that the Government continue to use its diplomatic contacts with the Iranian government to promote respect for human rights and political and religious freedoms, and actively encourage the EU to do likewise. We further conclude that the democratic process in Iran is deeply flawed, and that although this issue must be handled with care, there is a role for the United Kingdom and the international community more broadly in supporting reform efforts. We recommend that the Government seriously consider funding a Farsi BBC television service (paragraph 361).

87. We agree. The human rights situation in Iran is poor and deteriorating, and there is little progress being made to reform the laws and institutions that allow

violations to occur. Encouraging greater respect for human rights and political freedoms is a key element of our approach towards Iran. We will continue to work with EU partners to support reform and press the Iranian authorities to address international concerns.

88. We note the Committee's comments about a BBC World Service Farsi TV service. The BBC has put forward a proposal. This is being considered.

Afghanistan

We conclude that bringing stability to Afghanistan remains a key British interest. We commend the Government for its role in hosting and co-chairing the London Conference and welcome the Prime Minister's comments that the United Kingdom will remain by the side of the Afghan people in their struggle for freedom, moderation and democracy (paragraph 366).

89. We support the Committee's conclusion. Contributing to Afghanistan's long-term prosperity and stability is a priority for the United Kingdom. The UK's military deployments, the scale of the UK's bilateral development assistance, and the UK's broad engagement along governance and institution-building lines of activity, including in the field of counter-narcotics, are indicative of the depth of the UK's commitment.

We conclude that there has been a worrying deterioration in the security situation in Afghanistan, and that there are signs that the tactics that have brought such devastation to Iraq are being replicated in Afghanistan. We recommend that in its response to this Report the Government indicate what steps it is taking to prevent further deterioration (paragraph 371).

90. Overall, the security situation in Afghanistan is stable if fragile in certain areas. While good progress has been made in some parts of the country to establish the rule of law, it is absent in others. Where it does not exist, and there are no recognised governing institutions, insurgents, tribal militias and criminal elements, including those engaged in the illegal drugs industry, are active. In the South, localised attempts by the Taliban and other groups to test the resolve of the nations deploying military assets into the south of Afghanistan, the Coalition's high tempo of activities and the increased amount of reporting of incidents, as a result of the UK presence in Helmand, collectively gives the impression of a growing insurgency. We judge that the insurgency remains unable to pose a credible strategic threat to the nation-wide stability of Afghanistan.
91. In an attempt to attract media attention as well as financial and other support, insurgent groups will adopt new and high profile tactics. Inevitably, there will be some copying of tactics employed in other theatres. But while we are seeing some evidence of this reproduction of tactics, there is as yet no evidence of the transfer of personnel or technology.

92. But we are not being complacent. UK forces, operating alongside Coalition partners and Afghan national security forces, respond robustly to enemy activity. While the first priority is to help create a secure environment, the lasting solution is to build Afghan capacity. Recent capacity-building efforts include the deployment of additional trainers to mentor and otherwise support the local Afghan National Army (ANA) battalions, together with the deployment of a Senior Police Adviser to the UK-led Provincial Reconstruction Team in Lashkar Gah. The role of the Senior Police Adviser is to help co-ordinate UK support to the local police reform effort and build the capacity of the local law enforcement and rule of law agencies. This will take time.
93. At a national level we support the institutional reform of the Ministry of Defence with financial and expert assistance, and have helped found the Office of the National Security Council. We have supported with financial and expert assistance the Afghan Government's Disarmament, Demobilisation and Reintegration programmes to help create the space for the development of new security forces. We are providing NCO and junior officer training for the ANA. We have provided training and the provision of equipment to the Afghan National Police. Overall, the UK has contributed in excess of £45m in support to Security Sector Reform since 2002.

We commend the Government's work assisting the Afghan authorities to establish secure prison facilities and in providing training in prison techniques. We recommend that the Government sets out in its response to this Report what further assistance it could give in this area, particularly in respect of increasing the Afghan capacity to house drug offenders at the provincial level (paragraph 377).

94. Due to the limited judicial capacity at the provincial level, the Government of Afghanistan passed legislation in December 2005 requiring the transfer of all narcotics cases involving more than 2kg of heroin, 10kg of opium or 50kg of hashish, to a central court in Kabul – the Counter Narcotics (CN) Tribunal. In the next 6-12 months we will focus on developing the centralised counter narcotics criminal justice system, including by ensuring that the associated high-security prison constructed by the United Nations Office on Drugs and Crime (UNODC) is fully staffed, equipped and operational by August 2006. We will also help to expand and develop the Counter-Narcotics Criminal Justice Task Force to ensure that it has the expertise to deal with an increased caseload and that it operates according to fair and transparent procedures. This should improve the prosecution and conviction rate, resulting in a higher number of serious drugs offenders being sent to prison.
95. UK prison trainers provided to the UNODC will remain in place until November 2006 to ensure that the high-security prison regime is functioning effectively and to provide additional on-the-job training. We are also supporting plans to create a medium-security counter-narcotics detention facility and we continue to provide advice on prison training and infrastructure requirements.

96. In the short term, drug traffickers will be housed in the secure facilities in Kabul. Through the secondment of an HMPS Prison Governor to the British Embassy Drugs Team, the UK is also providing direct advice to the Afghan Government on the development of wider prison reform plans, including provincial level penal facilities. We are currently identifying how best we can further support the Afghan Government's plans for the construction and refurbishment of provincial level penal facilities.
97. In addition to the UK's assistance in the criminal justice strand of the Afghan Government's National Drug Control Strategy, we are looking at the wider issue of the Rule of Law. We are currently considering how best to contribute, building on the progress made thus far and harnessing the efforts of other potential donors. We are exploring the scope for EU engagement with fellow Member States. We are keen to overcome the stove-piping that is a feature of international support to the establishment of the Rule of Law and wider Security Sector Reform in Afghanistan.

We reiterate our predecessor Committee's conclusion that "the United Kingdom's lead role in co-ordinating the UN's counter-narcotics strategy in Afghanistan is one of the Government's most important responsibilities overseas". We conclude that negligible progress has been made reducing opium poppy cultivation in Afghanistan. We recommend that the Government set out in its response to his Report how it intends to make better progress in tackling this problem. We further recommend that the Government clarify its position towards eradication and that it set out what progress has been made on developing alternative livelihoods for Afghan farmers (paragraph 383).

98. We have assessed that there will be a significant rise in opium poppy cultivation in 2006 following last year's 21% decline. This is worrying and is due, in part, to a substantial increase in planting of opium poppy in the south of Afghanistan, including in Helmand Province. In contrast, in areas where governance, security and levels of development have improved, there are signs that last year's cultivation reductions will be sustained.
99. This year's planting season preceded the publication of the Afghan Government's National Drug Control Strategy, which we believe offers the best means to tackle the opium trade at its source. We are determined to work with the Government and people of Afghanistan to sharpen delivery in order to achieve sustained impact on the ground. The coming months will see the Afghan authorities' roll out of a comprehensive pre-planting Information Campaign, both at the national and provincial level. The UK sees this as a vital element of the CN campaign and will be offering the Afghan Government our full support.
100. We also support the Afghan Government's eradication campaign where this is targeted where rural communities already have access to legal livelihoods. This

is in line with the Afghan Government's policy as set out in the National Drug Control Strategy. We agree with the Afghan authorities that the CN effort should not be eradication-led but that eradication is necessary to inject risk and encourage farmers to adopt legal livelihoods. But because eradication on its own will not solve the drugs problem in Afghanistan it is essential that the drug's trade is also tackled – this includes arresting and convicting the higher value traffickers who profit from the trade. We also need to continue to put in place legal livelihood and rural development programmes that enable farmers to move away from growing poppy.

101. Progress is being made in these areas. The past year has seen the conviction of over 190 traffickers, the passage of vital CN legislation, a significant increase in drugs-related seizures and the destruction of laboratories. Since April 2003 over 12 million labour days have been provided and over 8,000 km of roads rehabilitated by the national programmes that the UK has supported. Almost US\$70 million micro-finance loans have been disbursed over the last two years and US\$180 million in grants approved to some 10,000 Community Development Councils. In addition, since September 2005, over 500,000 farmers have been provided with seeds and fertiliser.

We conclude that there is potential for a blurring of the United Kingdom's counter-insurgency and counter-narcotics objectives in Afghanistan. We recommend that the Government clarify the role of British personnel, including with regard to the policy of eradication and support to eradication activities. We further conclude that the expansion of ISAF's area of operation requires careful consideration of how best to co-ordinate with the UK-led Operation Enduring Freedom. We reiterate our predecessor Committee's conclusion that "increased synergy between and better integration of NATO's operation in Afghanistan and those of the US-led coalition is a potentially positive move, which if correctly implemented should enhance the effectiveness of security, reconstruction and counter-terrorist activities alike". We recommend that the Government update us in its response to this Report on NATO planning to achieve this greater synergy (paragraph 391).

102. We do not believe there is any danger of UK counter-narcotics and counter-insurgency objectives becoming blurred or that they are inconsistent with each other. Insurgents and drug traffickers flourish in the same ungoverned space and have a confluence of interest in ensuring that central government is unable to extend its authority to their areas of operation. There is evidence that insurgents encouraged Afghan farmers to grow opium poppy in the South. We continue to assess the links between insurgents and drug traffickers closely and we support Afghan efforts to disrupt any linkages, particularly the Afghan law enforcement organisations' efforts to target the drug traffickers and the trade.
103. UK personnel in ISAF are not deployed to take direct action against the drugs trade or conduct eradication. They contribute to the broader counter-narcotics

effort by helping to provide the secure environment in which the rule of law can be applied, reconstruction take place and legal rural livelihoods be allowed to develop. ISAF forces help with the provision of training to Afghan counter-narcotics forces and, within means and capabilities, provide support to their operations. They also help the Afghan Government explain its policies to the Afghan people.

104. NATO Allies have agreed a single command structure within which both ISAF and OEF missions can operate. Its adoption is planned to follow ISAF Stage 4 (East) expansion, which is expected during the tenure of the HQ ARRC Group as ISAF HQ. Within the proposed command structure, the separate missions of ISAF and OEF will be respected.
105. We agree that the closer operational relationship that will result from the adoption of this single command structure will contribute to more effective overall international military engagement. It will also provide a single interface for the Afghan Government and present a clear unity of purpose.

Non-proliferation

We conclude that the failure of the May 2005 NPT Review Conference is a matter of serious concern. We recommend that the Government do all in its power to sustain the NPT, as the most effective tool for the prevention of the proliferation of nuclear weapons (paragraph 401).

106. The Government continues to do everything it can to strengthen the NPT and the wider nuclear non-proliferation regime. It will continue to engage positively with its partners in the Norwegian-led 7 Country Initiative, in the EU and more widely in seeking renewed international commitment to the regime before and during the next NPT review cycle.

We recommend that the Government set out in its response to this Report what it is doing to strengthen the non-proliferation tools available to the International Atomic Energy Agency (IAEA), and set out its views on the proposals for strengthening the IAEA put forward by Director General Dr Mohammed ElBaradei. We further recommend that the Government work with its IAEA partners to establish a permanent section of the IAEA dealing with nuclear proliferation by non-state actors, with adequate and sustainable funding arrangements (paragraph 406).

107. The UK is working to strengthen the non-proliferation tools available to the IAEA in several areas and supports many of the proposals put forward by Dr ElBaradei for strengthening the non-proliferation regime more generally:
 - (i) The UK fully supports Dr ElBaradei's proposal to improve **controls over access to nuclear fuel cycle technology**. With the US, the Netherlands, Germany, France and Russia, we are contributing to IAEA work to

introduce incentives for states not to develop costly new enrichment facilities. The UK co-sponsored a concept paper presented at the last IAEA Board of Governors' meeting (12-15 June 2006); HMG and the relevant parts of the nuclear industry are now working closely together to develop the concept further. We are also working with G8 partners towards more technically advanced solutions, which are outlined in the 2006 G8 Statement on Non-Proliferation.

- (ii) The UK fully supports **improving work on nuclear verification**. Like Dr ElBaradei, we have consistently advocated the universal application of the Additional Protocol and we also recognise the need for additional transparency measures as a complement to strengthening the Additional Protocol. We are currently discussing this and other ways to improve the Agency's safeguards and verification activities within the IAEA's Committee on Safeguards and Verification (CSV). In addition, the UK contributes £1 million per annum of high quality practical support to the IAEA's verification work through the UK Support Programme. This well-regarded programme has carried out work to improve many aspects of IAEA safeguards, including the detection of undeclared facilities, as well as providing funds and an expert for training and analysis of satellite imagery.
- (iii) Dr ElBaradei has argued that the international community needs to **accelerate efforts to protect nuclear material**; here the UK is leading the way. Not only have we contributed around £2 million since 2001 in support of the IAEA's Nuclear Security Fund, but we have also made progress under the UK's Global Partnership Programme. In the last year alone, the UK has:
- constructed a new £20 million facility to deal with spent nuclear fuel;
 - led a £1.3 million engineering study to secure 20,000 spent nuclear fuel assemblies from nuclear submarines in northwest Russia;
 - implemented a £5m portfolio of new nuclear security projects across Russia;
 - contributed £12 million to assist Russia in closing its weapons grade plutonium producing reactors by 2009.

108. The UK is widely recognised for having developed an inclusive approach to co-operation with foreign governments and intergovernmental institutions. This UK framework, which allows other partners to contribute through our programme, is generally judged to have increased international donations to the Global Partnership and served to 'accelerate' the effect of those donations.

109. The UK is also leading efforts towards the implementation of international standards on nuclear security, for example, through active co-operation with the UNSCR 1540 Committee. In order to promote implementation of this

important piece of the international non-proliferation architecture, the UK jointly hosted the first regional workshop in Buenos Aires.

110. In support of all the activities described above, the UK frequently provides experts from the Department of Trade and Industry, the Office of Civil Nuclear Security, British Nuclear Fuel Limited and the Nuclear Decommissioning Authority to serve on various committees dedicated to improving many aspects of the IAEA's work. We also contribute to the Commission's Joint Research Centre Support Programme to the IAEA and provide advice and information on an informal basis to the IAEA on illicit procurement networks.
111. Complementing this national effort is the 12 June 2006 EU Joint Action in support of IAEA activities. Project areas identified for support focus heavily on areas of nuclear security and verification, but also include legislative and regulatory assistance. In practical terms, this will involve identifying and assisting states who have not yet adopted necessary national legislation to implement fully international instruments in the field of nuclear security, including UNSCR 1540, the Nuclear Terrorism Convention, and the Amendment to the Convention on the Physical Protection of Nuclear Material.
112. Finally, in response to the FAC's recommendation on **establishing a permanent section of the IAEA to deal with non-state actors**, the UK recognises that work to prevent the theft of nuclear material or transfer of know-how is essential regardless of whether the ultimate proliferator is a state or non-state actor. Currently this work is mainstreamed across the IAEA. For example, the Department of Safeguards deals with procurement networks, while the Department of Nuclear Safety and Security covers security. We are not convinced that duplicating this effort in a separate section of the IAEA would bring any further gains to nuclear non-proliferation.

We recommend that the Government set out in its response to this Report what impact the agreement between New Delhi and Washington on nuclear co-operation might have on the existing non-proliferation framework. We also recommend that in its response to this Report the Government set out what progress has been made on introducing revisions to the guidelines of the Nuclear Suppliers Group (paragraph 409).

113. The UK has strongly supported this initiative from the start and has been actively involved throughout. We believe that the deal can make a significant contribution to energy security, development, economic and also environmental objectives for India and the international community, as well as represent a net gain for the non-proliferation regime. We believe working to bring India towards the non-proliferation mainstream will strengthen global non-proliferation norms.

114. We remain fully committed to the Non-Proliferation Treaty, which is the cornerstone of the global non-proliferation regime. We have consistently urged all states to sign and ratify the Comprehensive Test Ban Treaty (CTBT) and to conclude rapid negotiations on a Fissile Material Cut-Off Treaty (FMCT). It is clear that implementing the measures set out in the joint US-India statement will require some changes, both to US domestic law and to international regimes. We will be discussing the detail with international partners. We will of course continue to uphold in full our international obligations, including under all relevant UNSCRs.
115. The Nuclear Suppliers Group discussed NSG/Indian relations at the Consultative Group meeting on March 23, in Vienna, and again during Plenary week in Brasilia from 29 May – 2 June. In Brasilia, Participating Governments discussed a possible NSG-India relationship regarding civilian nuclear co-operation. They decided to continue their consultations and return to this matter at the next regular Consultative Group when further information might be available.
116. The Government believes that the US draft proposal for the exemption to the NSG part 1 guidelines represents a good basis for further discussion and we are confident that these discussions can be brought to a positive conclusion.

We conclude that the Comprehensive Test Ban Treaty (CTBT) is a crucial tool for the control of the spread of nuclear weapons, and the work of the Comprehensive Test Ban Treaty Organisation (CTBTO) is both technically impressive and of great worth. We recommend that the Government urge those states that have not yet ratified the CTBT to do so, concentrating its efforts on the states which have not ratified for technical reasons, such as Colombia, Indonesia and Vietnam (paragraph 414).

117. The Government agrees that the Comprehensive Nuclear-Test-Ban Treaty (CTBT) is a crucial tool and notes that 134 States have now ratified the Treaty, including Vietnam (one of the Annex II countries). Ten Annex II States are still required to ratify the Treaty before it will enter into force. Of these, we agree that Indonesia and Colombia would be candidates on which to focus our attention to help maintain CTBT's momentum. Ambassador Ramaker, the Special Representative for the Article XIV process, has been actively involved in encouraging countries who have not ratified to do so and has indicated his intent to maintain pressure on them. Indonesian Parliamentary representatives recently informed Ambassador Ramaker that they could ratify soon; our embassy representative was similarly informed during the course of a call on the Director of International Security and Disarmament in Jakarta in June this year. We will continue to take any appropriate opportunity to encourage countries that have not yet signed or ratified the Treaty to do so.

We conclude that a successful outcome of the Biological and Toxin Weapons Convention (BWC) Review Conference is essential in order to preserve confidence in the global non-proliferation regime. We recommend that the Government outline what progress has been made by the various meetings of experts and state parties since the middle of 2005, and set out what it hopes to achieve at the Review Conference. We also recommend that the Government explain how it proposes to ensure compliance with the BWC without the existence of a verification mechanism (paragraph 419).

118. The Government agrees that a successful outcome of the Sixth Biological and Toxin Weapons Convention Review Conference in November 2006 is important. To that end, we have begun work with EU partners to optimise the chances for success. In March we agreed an EU Common Position outlining the EU's intention to work for a positive outcome. EU partners have been working on papers to submit to States Party at the Review Conference. Given the success of the recent inter-sessional work programme, the Government, along with EU partners, strongly supports a further work programme between the Sixth and Seventh Review Conferences, and will be working to achieve that outcome. The Government has co-authored a paper with France on the 2003-2005 inter-sessional work programme, setting out the successes of the process. This paper will be submitted by the EU at the Sixth Review Conference.

119. In 2005 Ambassador John Freeman chaired a Meeting of States Party to discuss "the content, promulgation and adoption of codes of conduct for scientists". States Party agreed a politically binding report containing basic principles in regard to codes of conduct. Dr Howells submitted the full report of the meeting to the House in a Written Ministerial Statement on 20 December 2005. This Meeting was prepared by a Meeting of Experts on this issue, at which States Party were able to benefit from the expertise and experience of a number of international and non-governmental organisations and science stakeholders.

120. The Government, in conjunction with EU partners, is also working for universal membership of the Convention, and to help States transpose the international obligations of the Convention into their national legislation and administrative measures, and thereby improve its implementation. The Government believes that effective implementation of the Convention by all its States Party, along with universal membership, would enhance the effectiveness of the Convention, and improve standards of compliance with all its elements. While the Government remains ready to work towards a mechanism to verify compliance with the Convention when this is achievable, verification itself does not ensure compliance, but rather gives us an improved basis on which to assess compliance.

We conclude that universality of the Chemical Weapons Convention is a most desirable objective, and we recommend that the Government step up its efforts to encourage Middle Eastern States such as Egypt, Israel, Lebanon, and Syria

to ratify the CWC. We also conclude that the destruction of chemical weapons is a priority, and recommend that the Government urge other states to accelerate the destruction of their chemical weapons (paragraph 422).

121. The Government agrees that universality of the Chemical Weapons Convention (CWC) is most desirable and has been working with other States Party, through the Organisation for the Prohibition of Chemical Weapons, and in particular with EU partners, to pursue this objective. Through a Joint Action agreed in December 2005, the EU has agreed to fund a universality workshop in Rome later this year for the Middle Eastern States still outside the CWC. Current events may change these plans. Should this be the case, we would hope that it could be rescheduled and the Government would hope to be represented at that conference whenever it is held.

122. We also agree that destruction of chemical weapons stockpiles within the deadlines set out in the Convention is a priority and have raised this with the relevant States Party. In addition, through the 'Global Partnership Against the Spread of Weapons and Materials of Mass Destruction', the Government is providing direct assistance to the Russian Federation in its destruction of its chemical weapon stockpile. We currently expect to spend up to £25 million on assistance at the Shchuch'ye Chemical Weapon destruction facility. In addition, we are implementing projects there worth over £50 million on behalf of 10 other international donors. The UK has also recently announced that it will contribute further assistance to Russia with Chemical Weapon destruction at the Kizner site. We believe that these efforts are helping Russia, as possessor of the world's largest stockpile of Chemical Weapons, in its planned acceleration of its destruction programme.

We conclude that the work of the G8 Global Partnership makes a valuable contribution to the reduction of nuclear and chemical weapons material in the former Soviet Union, although the slow progress on plutonium and chemical weapon destruction is a serious concern. We recommend that the Government set out in its response to this Report how it will maintain the momentum behind the G8 Global Partnership. We also recommend that it explore the possibilities of expanding the Partnership's work beyond the borders of the former Soviet Union (paragraph 428).

123. The government remains fully committed to continuing threat reduction work under the Global Partnership banner. The UK has recently announced further financial commitment to the chemical weapon destruction work at a second location and is working in partnership with Canada to advance progress on the ground. The government shares the Committee's concern over the slow progress of plutonium disposition and has mentioned its desire to see movement on this work-stream to the Russian government on a number of occasions. Regrettably, there is little progress to report. However, in this year's Global Partnership Annual Report, the UK obtained a commitment from the G8

to an unbiased qualitative and quantitative assessment of the Global Partnership in order to provide a clear picture of what remains to be done during the timetabled lifespan of the initiative. We believe that such an assessment can help clarify how each country can best define its participation, and how each can benefit from the expertise developed. The Global Partnership Working Group intends to undertake the review during the coming year.

124. The Government is currently engaged in reshaping its Global Partnership governance structure, including through Ministerial oversight, so that it can better address current threat priorities, including those outside the former Soviet Union.

We welcome the Government's outreach work on the Missile Technology Control Regime (MTCR) and we recommend that in its response to this Report the Government set out what further steps it is planning to take in this area. We also welcome India's decision to comply with MTCR guidelines voluntarily, and we recommend that the Government work to encourage India to become a full member of the MTCR. However, we conclude that the spread of knowledge of cruise missile and space programme related technology may outpace the MTCR's best efforts, and we recommend that the Government set out in its response to this Report how it will ensure that the MTCR keeps pace with the spread of technology and what steps it will take to give the MTCR greater enforceability (paragraph 432).

125. The Government takes a leading and active role in MTCR outreach work and continues to fully support it.
126. In June 2006, the FCO funded a project by the MTCR TEM (Technical Expert Meeting) Chair to carry out a comparison of India's export controls with the MTCR Guidelines with the view of better aligning those controls. We expect this project to develop further and to result in India moving closer to MTCR membership.
127. The UK actively supports propositions within the MTCR that further strengthen the control of delivery systems capable of carrying WMD, frequently lobbying other MTCR partners to support such proposals. In addition, the UK is the most active participant in the TEM, regularly submitting technical proposals aimed at tightening controls and closing 'loop holes'.

We welcome the expansion of the Wassenaar Arrangement, both in terms of membership and its trigger lists, but fear that the organisation will continue to work at the lowest common denominator. We recommend that the Government explore means to strengthen the Wassenaar Arrangement, perhaps by establishing an inspections regime. We also conclude that the lack of interaction between the Wassenaar Arrangement and UN bodies dealing with small arms and light weapons hinders the effective implementation of an international non-

proliferation regime on small arms and might have a deleterious impact on the establishment of an Arms Trade Treaty (ATT). We recommend that the Government work to bring the Wassenaar Arrangement into closer collaboration with the UN and other international efforts related to the ATT. (paragraph 437).

128. The Government will continue to work actively within the Wassenaar Arrangement, including through regular updating and reviews of the control lists (noting that the Arrangement does not have a Trigger List), exchange of information, participation in outreach activities and maintaining the Arrangement's openness to new participation. 2007 will see the third regular "Assessment" of the Wassenaar Arrangement, when a full examination of its overall operation and effectiveness will take place. It is important to note that the Arrangement is an informal grouping of countries that share a common purpose to control conventional arms and related dual-use materials. It is not a legally binding treaty-based group and establishing an "inspection regime" would present particular challenges, both to the status of the Arrangement and in practical terms. The Government will, however, certainly use the Assessment process to look at strengthening the Arrangement in terms of both scope and operation and to increase its transparency arrangements. We have encouraged closer collaboration between the UN and the Wassenaar Arrangement where appropriate, including through the Arrangement's annual Plenary decisions to support UN Embargoes, and to encourage greater contact and interaction with relevant sanctions committees in the UN. Work towards an ATT will be pursued through the UN, and we will encourage all organisations and groupings, including the Wassenaar Arrangement, to contribute to the development of the treaty.

We welcome progress towards an international ATT and recommend that the Government continue its work to garner support for such a treaty. However, we recommend that the Government does not allow its desire to establish internationally accepted norms lead to a treaty that operates only at the lowest common denominator (paragraph 440).

129. We welcome the Committee's stance on this issue. The Government remains fully committed to the initiative for a legally binding treaty on the trade in all conventional arms. We aim to secure agreement to a formal process to take the initiative forward at the UNGA First Committee this autumn. Such a process is needed to ensure an eventual treaty will enjoy broad support; will make a meaningful difference to the lives of those impacted by the irresponsible arms trade; and will not be a treaty that operates only at the lowest common denominator.



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