



Eighth Report
of the
Foreign Affairs Committee
Session 2006-7

Global Security: The Middle East

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
October 2007*



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EIGHTH REPORT OF THE FOREIGN AFFAIRS COMMITTEE

SESSION 2006-7

GLOBAL SECURITY: MIDDLE EAST

RESPONSE OF THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS

1. The Government welcomes the scrutiny by the Committee of its work to promote peace, prosperity and security in the Middle East.
2. Doing so is one of UK's key foreign policy priorities. Progress on conflict resolution in the region, including a settlement of the Arab/Israel conflict, could potentially transform the region. This would have significant benefits for global security, including our efforts to combat extremism. It would improve the lives of people in the region, and deliver better security for British citizens.
3. The Government is determined to pursue a just and lasting peace between Israelis and Palestinians. There now exists a rare moment of opportunity to take the peace process forward, to begin the march towards full Palestinian Statehood. The next three months will be key. The international community has a vital role in ensuring that the window of opportunity stays open and that much needed and much wanted progress is made. Our approach is based on three fundamental principles: i) to be unstinting in our support for a two-state solution; ii) to support those committed to peaceful progress in the region; and iii) to support economic and social development across the Occupied Palestinian Territories, including through humanitarian support (as set out in Ed Balls' and Jon Cunliffe's report on Economic Aspects of the Peace Process).
4. We will work closely with Israelis and Palestinians, regional actors and our international partners, including the Quartet (the US, EU, UN and Russia). The Government strongly supports Tony Blair's work as Quartet Representative.
5. The Government seeks to promote a comprehensive peace in the region, including between Israel and Syria and Lebanon. We welcome the Arab Peace Initiative as an important contribution to this. We will also pursue stability in Lebanon, including compliance by all parties with UNSCR 1701, and welcome progress by the UN investigation into the assassination of Rafiq Hariri. We hope Syria will choose to play a constructive role across the region.

6. Progress towards UK political and security objectives in Iraq is also central to increased stability in the Middle East. Our overarching objective remains the development of a sovereign, secure, stable, and prosperous Iraq, at peace with its neighbours and the region and playing a full role in the international community.
7. Stability in the region also requires Iran to play a helpful role. We will continue to work to address international concerns about Iran's nuclear programme and other activity likely to destabilise the region.
8. This Command Paper sets out the Government's response to the Committee's report. The Committee's recommendations are set out in bold. Unless otherwise indicated, references are to paragraphs in the Foreign Affairs Committee's Report (HC 363).

1. **We conclude that the FCO's failure to provide us with a timely response to basic administrative questions has hampered our ability to scrutinise the Government's approach towards the Middle East. We further conclude that the FCO needs to reconsider its approach towards confidentiality of documents. We recommend that when parts of a document can be released without classification, a crude blanket approach should not be applied to that document. (Paragraph 9)**
9. The Government attaches a high priority to ensuring that full and timely information is provided to the Committee for its enquiries, and regrets that, on this occasion, it was not possible to provide the full administrative data requested within the Committee's timescale. However, in considering what administrative data to release, and how and when to release it, the Government's primary concern was to ensure that the release of such data did not jeopardise staff safety or security. The Committee's requests were considered very carefully, and we responded promptly where we could. But where there was a need to take additional time to consider the implications for staff safety or security, we did so.
10. The Government notes the Committee's recommendation on the issue of releasing parts of classified documents without classification where this is possible, rather than adopting a blanket approach. We will consider how we can do so in future in order to help meet the Committee's needs.

Israel and the Occupied Palestinian Territories

2. **We conclude that the Temporary International Mechanism has played a limited, but important, role in mitigating the economic and humanitarian crises in the Occupied Palestinian Territories. This crisis has been severe and its impact on the political and security situation, in particular in the Gaza Strip, should not be underestimated (Paragraph 23).**
11. The Government welcomes the Committee's conclusion that the Temporary International Mechanism (TIM) has had a positive impact, mitigating the sharp economic decline that the World Bank and others had feared in 2006. The TIM has ensured the continued delivery of international assistance directly to Palestinians, including Palestinian Authority employees and to the most vulnerable Palestinians, through direct social allowance cash payments. More than one million Palestinians (a quarter of the population) have benefited from these payments.
12. The TIM has also provided funding for fuel supplies to ensure continued electricity supply in Gaza, and for vital goods and services for the health, education and social welfare sectors. It has helped to ensure that 1.4 million Gazans have access to clean water.

13. The Government believes that the priority now should be to provide direct support to the Palestinian Government headed by Prime Minister Salam Fayyad. On 17 July, DFID announced a £3 million contribution to the Palestinian Authority to help pay private sector arrears. Other donors have also announced direct assistance to the Palestinian Authority.
14. The Government remains deeply concerned by the economic and humanitarian situation in Gaza. EU Foreign Ministers agreed that they would do their utmost to ensure the provision of emergency and humanitarian assistance to the population of Gaza. We have raised our concerns with the Government of Israel, which has assured us that it is committed to ensuring that humanitarian access to Gaza continues, despite repeated attacks by Palestinian militants. The Palestinian Authority assure us they are committed to doing all they can to help Palestinians in the Gaza strip. On 19 June, DFID announced an additional £1 million for the International Committee of the Red Cross' work in the West Bank and Gaza.
15. The UK, together with EU partners, has tried to be proactive, creative and generous in responding to the needs of the Palestinian people in spite of the difficult environment created by Hamas' refusal to accept the three Quartet principles. We have worked closely with President Abbas and with Salam Fayyad as Finance and then Prime Minister. The EU gave €690 million to the Palestinians in 2006, more than in any previous year.
3. **We conclude that the decision not to speak to Hamas in 2007 following the Mecca agreement has been counterproductive. We further conclude that a national unity Government could and should have been established much earlier than the spring of 2007. We recommend that, in its response to this Report, the Government set out when it began to actively support the establishment of a national unity Government in the Occupied Palestinian Territories. (Paragraph 36)**
16. The Government disagrees with the Committee's conclusion that the decision not to speak to Hamas in 2007 following the Mecca agreement has been counterproductive. The Government made clear that we would engage with those members of the National Unity Government whose words and actions reflected the Quartet principles (non-violence; recognition of Israel; and acceptance of previous agreements and obligations, including the Roadmap). These principles are an essential basis for progress. We regret that the Hamas members of the Government chose to reject those principles. We also condemn Hamas's actions in Gaza in June, which led to the deaths of many Palestinians, and caused the dissolution of the National Unity Government.
17. The Government viewed the issue of a National Unity Government as an internal matter for the Palestinian people. But we, along with our international partners, made clear – starting from 30 January 2006 – that we would be ready

to engage with any new government that was based on the Quartet principles. We welcomed the Mecca Agreement and the formation of a National Unity Government as positive steps. We also welcomed the work of Saudi Arabia and regional partners in helping to secure this agreement.

18. It is for President Abbas as President of the Palestinian Authority to represent all Palestinians in the Occupied Palestinian Territories, and it is for him to lead any process of reconciliation. We will continue to judge members of Hamas by their words and actions.
4. **We conclude that the unwillingness of the EU to modify the financial boycott of the Palestinian Authority following the Mecca agreement was very damaging. The international community failed to prepare and implement rapid economic solutions to reward those elements within the national unity Government that respected the three Quartet principles. We recommend that, in its response to this Report, the Government provide an assessment of whether it believes in hindsight that the EU and the rest of the international community acted with sufficient urgency to create conditions in which direct aid could be restored as soon as possible. We also recommend that the Government in its response to this Report should clarify the extent to which difficulties in restoring aid to the national unity Government in 2007 were due to the impact on the institutions of the Palestinian Authority of the suspension of aid in 2006. (Paragraph 41)**
19. The EU moved quickly to redirect the TIM once the National Unity Government was established, bringing it under the Ministry of Finance and coordinating payments with the Finance Minister, Salam Fayyad. But the UK and other donors were not prepared to provide funding direct to the National Unity Government, as this would have channelled funds to Hamas Ministers not committed to the Quartet principles. The decision of Hamas not to respect the Quartet principles was the principal cause of the delay in resuming direct financial assistance. In these circumstances, we believe that the EU and the rest of the international community did indeed respond with sufficient urgency.
20. Any technical delays primarily reflected the complexity of resuming direct assistance while ensuring robust controls on the use of taxpayers' money. The Hamas Government had reversed many of the improved financial controls implemented before 2006 by Salaam Fayyad, thereby making the planning and resumption of assistance more difficult. We are currently working with the Palestinian Authority to strengthen institutional capacity, including with the Ministry of Finance, to ensure that aid can be disbursed rapidly with suitable financial controls.

21. We agree with the Committee's conclusion that the suspension in 2006 of aid to the Palestinian Authority inevitably reduced the effectiveness of Palestinian Authority institutions. Some ministries (e.g. health and education) coped better than others, thanks in part to the support of the TIM.
22. In looking at the financial situation of the Hamas-led Palestinian Authority and the National Unity Government, it must be remembered that the main source of income withheld from the Palestinians since 2006 has been their custom clearance revenues. Israel collects customs and certain other revenues for the Palestinian Authority under the terms of the 1994 Paris Protocol (one of the previous agreements concluded by the PLO, which Hamas has failed to endorse). Israel suspended these payments after the opening of the Palestinian Legislative Council on 18 February 2006. We, along with EU partners, called for their release. Releases are now being made once more. The clearance revenues represent over half of the Palestinian Authority's total revenue. Total aid represented only around 20% of total revenue.
5. **We conclude that the actions of both Hamas and Fatah militia forces in the Gaza Strip were deplorable and should be condemned by all. However, the escalation of violence in June 2007 should not have come as a surprise to the UK Government or any of its international partners. We conclude that the decision to boycott Hamas despite the Mecca agreement and the continued suspension of aid to the national unity Government meant that this Government was highly likely to collapse. We further conclude that whilst the international community was not the root cause of the intra-Palestinian violence, it failed to take the necessary steps to reduce the risk of such violence occurring. (Paragraph 50)**
23. We agree with the Committee's conclusion that the international community was not the root cause of the intra-Palestinian violence. Intra-Palestinian violence had increased sharply in early 2007, before the Mecca Agreement, reflecting political violence and growing lawlessness. The escalation of violence after the Mecca Agreement primarily reflected continued tensions between Hamas and Fatah, culminating in the violent takeover of Gaza by Hamas's military wing, including attacks on the legitimate PA security forces and over 100 Palestinian deaths.
24. We do not agree with the Committee's conclusion that the international community failed to take the necessary steps to reduce the risk of such violence occurring. The responsibility lies with those who chose to use violence to achieve their goals. President Abbas, other Arab leaders and the international community made clear they believe this responsibility lies with Hamas.
25. We do not agree that the international community's policy towards Hamas was a key cause of the collapse of the National Unity Government's collapse. That

collapse was made inevitable after Hamas launched its takeover of the Gaza Strip. In those circumstances, President Abbas had little choice but to dissolve the Government and appoint a new government under Prime Minister Fayyad. We supported his decision and the efforts of Prime Minister Fayyad to promote sustainable security and prosperity for the Palestinian people. Tensions between Fatah and Hamas are longstanding, and primarily reflect internal factors. Regional actors, notably Egypt, worked hard to reduce tensions, but were unable to do so.

26. We also do not agree that international aid policies were a contributory factor. As set out previously, the EU moved quickly to redirect the TIM once the National Unity Government was established, bringing it under the Ministry of Finance and coordinating payments with the Finance Minister. The main constraint on our ability to resume full direct budgetary and technical assistance was the refusal of Hamas Ministers to accept the Quartet principles, and the consequent need to ensure proper use of taxpayer's money.
6. **We conclude that the Government was right to make contact with Hamas in its efforts to secure the release of Alan Johnston. We welcome the role of Hamas in his release. (Paragraph 59)**
27. The Government welcomes the Committee's support for its actions to make contact with Hamas in respect of the Alan Johnston case. As the Foreign Secretary said after his release, we acknowledge the priority given to the issue by President Abbas and by the leadership of Hamas, including Ismail Haniya. We would also like to pay tribute to Alan's personal courage and that of his family, and all those who worked for his release, including Palestinians, journalists across the world, and British officials.
7. **Given the failure of the boycott to deliver results, we recommend that the Government should urgently consider ways of engaging politically with moderate elements within Hamas as a way of encouraging it to meet the three Quartet principles. We conclude that any attempts to pursue a 'West Bank first' policy would risk further jeopardising the peace process. We recommend that the Government urge President Abbas to come to a negotiated settlement with Hamas with a view to re-establishing a national unity Government across the Occupied Palestinian Territories. (Paragraph 60)**
28. In relation to Hamas, we have made clear that we will respond to significant movement, and we keep our policy under constant review. We have not said that we will never talk to Hamas. But there has to be a basis for dialogue. That is what the Quartet principles aim to provide. They are no more than was demanded of the PLO in the 1980s and 1990s as the essential basis for progress. We also made clear we were willing to engage with those members of the National Unity Government who respected the Quartet principles. But

only on the basis of commitment to a peaceful, negotiated two-state solution can we hope to make progress. We would strongly encourage Hamas to demonstrate clearly that they accept this.

29. We want to see a two-state solution that offers peace and security for all Palestinians, in Gaza as well as the West Bank. Meanwhile we continue to direct our assistance to all Palestinians. We have made clear that we expect our support to Salam Fayyad's Government to benefit those in both Gaza and the West Bank. We work closely with the UN and other international bodies to ensure that essential relief supplies get through to Gaza, and with the Palestinian Authority to ensure that the people of Gaza benefit from international assistance programmes. We support efforts to improve freedom of movement of both goods and people, and have raised our concerns about the situation in Gaza with Israel.
30. On the Committee's recommendation that we urge President Abbas to come to a negotiated settlement with Hamas, we believe this is an internal political matter. President Abbas will need to judge how best to help the Palestinian people. Both he and Prime Minister Fayyad have made clear that Hamas' actions in Gaza were completely unacceptable. They have set out the actions they expect Hamas to take for dialogue to resume. The Palestinian Government has also made clear their commitment to serving, as far as they can, all Palestinians. For example, public sector salaries are now being paid in both Gaza and the West Bank.
8. **We conclude that the Temporary International Mechanism needs to be replaced by a more permanent solution that can meet the profound humanitarian crisis in the Gaza Strip. We recommend that the Government continue to press Israel to ensure full humanitarian access to Gaza. We further recommend that, in its response to this Report, the Government set out its interpretation of Israel's obligations under international humanitarian law and the responsibilities of the international community to ensure humanitarian provision for Gaza. (Paragraph 64)**
31. We share the Committee's desire to replace the TIM when circumstances allow. The Palestinian Authority is working hard to improve its financial management and develop a three-year budget covering the West Bank and Gaza. DFID is already providing technical assistance to ensure that it is able to take this work forward over the coming months.
32. The Government believes that the priority now is provide to direct support to the Palestinian Government headed by Prime Minister Salam Fayyad. On 23 July 2007, EU Foreign Ministers confirmed that the EU had resumed relations with institutions of the Palestinian Authority and restarted direct financial and technical assistance to the Palestinian government as well as reiterating the EU's commitment to helping to build the institutions and economy of the future

Palestinian state. Ministers also confirmed their support for the Palestinian Civil Police, through re-engagement of EUPOL COPPS and their commitment to resuming the full activities of the EU Border Assistance Mission (EUBAM) Rafah as soon as conditions allow. EU Ministers have consistently called on Israel to release immediately, the withheld Palestinian tax and customs revenues. These revenues are now being transferred in stages to the PA.

33. We are working with the World Bank, EU and other partners to create an effective mechanism for providing co-ordinated, direct assistance to the Palestinian Authority with appropriate fiduciary controls. In the meantime, DFID has already announced a £3 million commitment to the Palestinian Authority to help pay private sector arrears.
34. The Government is deeply concerned about the deteriorating humanitarian situation in Gaza. We, along with EU partners, continue to provide emergency and humanitarian assistance to the population of Gaza. DFID has provided £1m for ICRC's work there. It has provided £15m to the TIM to support front line health services, allowances for government workers and the operation, maintenance and repair of water, sanitation and electricity services in both Gaza and the West Bank. It also funds the UN Relief and Works Agency (£15.6m this year), which provides health, education and housing services to 4.4m Palestinian refugees in the region. 70% of Gazans are refugees who directly benefit from this assistance. Other international donors are also engaged. EU Foreign Ministers also agreed that they will do their utmost to ensure the provision of emergency and humanitarian assistance to the population of Gaza.
35. We continue to urge all parties to work towards the opening of the crossings in and out of Gaza for humanitarian and commercial flows, in accordance with the Agreement on Movement and Access.
36. The Government has raised its concerns with the Government of Israel which has assured us that it is committed to ensuring continued humanitarian access to Gaza. We will continue to raise these concerns with Israel.
37. Although there is no permanent physical Israeli presence in Gaza, Israel maintains a significant degree of control, including control of Gaza's borders, airspace and territorial waters. We consider that Israel's obligations under the Fourth Geneva Convention 1949 continue to apply in respect of Gaza.
9. **We welcome the appointment of the former Prime Minister as the Quartet Representative. We recommend that he engage with Hamas in order to facilitate reconciliation amongst Palestinians. We further recommend that his mandate be broadened to include explicitly working with Israel, the Palestinians and regional states to advance peace negotiations. (Paragraph 67)**

38. The Government welcomes the Committee's support for Tony Blair's appointment as the Quartet Representative. The Government fully supports Tony Blair's role. He has a long track record of commitment to advancing the peace process, and brings unparalleled international and diplomatic experience to the role. His appointment has been strongly welcomed by the parties and by the international community.
39. Tony Blair reports to the Quartet (UN, EU, US and Russia). His policy towards Hamas and his mandate are for Tony Blair and the Quartet to decide.
- 10. We conclude that the Roadmap for Peace has largely become an irrelevance in the dynamic of the Arab–Israeli conflict. The unwillingness of the Quartet to challenge robustly the failure by both sides to meet their obligations has undermined its usefulness as a vehicle for peace. However, we recommend that whilst the process of the Roadmap has failed, its objectives—an independent, democratic and viable Palestinian state peacefully co-existing with a secure Israel and an end to the occupation that began in 1967—must remain the basis for a solution to this conflict. (Paragraph 73)**
40. We disagree with the Committee's conclusion that the Roadmap has largely become an irrelevance, and is not a useful vehicle for peace. Clearly the timescale envisaged in the Roadmap no longer applies. But we continue to believe that the Roadmap principles, and its vision of the need for interlocking confidence building measures in key areas by both parties, remain relevant. The Roadmap has been endorsed by both the parties and the international community, giving it continued validity.
41. We entirely agree that an independent democratic and viable Palestinian state peacefully co-existing with a secure Israel and an end to the occupation that began in 1967 must remain the basis for a solution to this conflict. Our entire policy on the Middle East Peace Process is based on this principle and achieving this remains one of our key foreign policy priorities. We will work constantly with the parties and our international partners to this end.
42. The international community, led by the Quartet, has demonstrated its commitment to making substantive progress. There is now a window of opportunity to move closer towards a two-state solution. We strongly support the appointment of Tony Blair as the Quartet's Representative and US Secretary of State Rice's work to move the peace process forward. We welcome President Bush's speech of 16 July, and in particular his call for an international meeting, scheduled to take place this autumn. The Government also supports the continued dialogue between Prime Minister Olmert and President Abbas, which has already begun to achieve significant results. Continued dialogue between the parties is manifestly the best way forward. It

is important that we work towards the start of political negotiations as soon as possible.

- 11. We conclude that the Arab Initiative for Peace is a positive proposal that deserves serious consideration by all parties. We recommend that the Government continue to support the Initiative, and that it facilitate where possible discussion between the parties on contentious issues such as the right of return for Palestinian refugees. (Paragraph 79)**
43. The Government agrees with the Committee's conclusion that the League of Arab State's Arab Peace Initiative (API) is a positive proposal. We welcomed the API as an important contribution to the MEPP when it was first announced in 2002, and reaffirmed that after the 2007 Arab League Summit in Riyadh. We particularly welcome the role of King Abdullah of Saudi Arabia in advancing this initiative, and the positive role of other regional states, including Jordan, Egypt and the United Arab Emirates.
44. We welcome the meeting on 4 May between the Quartet and members of the Arab League Follow-Up Committee. We also welcome the meeting between Israeli Foreign Minister Tzipi Livni, Egyptian Foreign Minister Aboul Gheit, and Jordanian Foreign Minister Abdelelah Al-Khatib in Sharm el-Sheikh on 10 May, and the historic follow up visit to Israel by the Egyptian and Jordanian Foreign Ministers on 25 July.
45. We believe final status issues should be addressed in negotiations between the parties, and will support efforts to achieve that.
- 12. We conclude that the Government's focus on developing an economic roadmap for peace in the Middle East is to be strongly welcomed. However, we further conclude that the expansion of Israeli roadblocks and the growth of illegal settlements in the West Bank are among the factors that have had a very damaging impact on the economic situation in the Occupied Palestinian Territories. We recommend that, in its response to this Report, the Government provide the Committee with an update on what progress has been made on implementation of the Agreement on Movement and Access. We recommend that the Government also provide its objective assessment of whether the removal of checkpoints and roadblocks would present a credible threat to the security of the State of Israel. (Paragraph 83)**
46. The Government welcomes the Committee's support for our emphasis on economic aspects of the Middle East Peace Process. The publication in September of the report by Ed Balls and Jon Cunliffe on the Economic Aspects of the Middle East Peace Process demonstrates our commitment to this issue. We believe that politics, security and economics are interlinked, and that economic progress in the OPTs could underpin the political process.

47. We agree that the restrictions on movement and access of goods and people are a key constraint on private sector activity in the Occupied Palestinian Territories. DFID has financed a number of analytical studies by the World Bank on the effect movement and access restrictions have on private sector activity in the Occupied Palestinian Territories – including those quoted by the Committee – and wholly supports their findings. Implementation of the commitments made in the Agreement on Movement and Access has been extremely disappointing. We have also repeatedly urged Israel to fulfil its Roadmap commitments to remove settlements established since March 2001, and to cease settlement expansion.
48. Since the signing of the Oslo Accords in 1993, the settler population in the West Bank has more than doubled, with profound economic implications. Each settlement requires a range of security measures to protect its inhabitants – one reason why the separation barrier is twice the length of the Green Line. The current barrier route around the major settlement blocks encloses between 8-10 per cent of the West Bank. In addition, the fences, checkpoints, road systems and permit regime associated with the settlements and outposts east of the barrier also have a severe impact on Palestinian freedom of movement, and thereby on the Palestinian economy.
49. We fully support the right of Israel to defend itself. The Government of Israel judges that checkpoints and the barrier are essential to provide that security. We are not in a position to judge the security implications of removing individual checkpoints, but have repeatedly urged Israel to reduce its restrictions on Palestinian movement as far as it can, consistent with its own security. We believe there are some measures Israel could take without jeopardising its security. We have always accepted Israel's right to build the barrier, but maintain that it should move those parts of the barrier built on Palestinian land to the Israeli side of the Green Line. We have made this clear to the Government of Israel.

Lebanon

13. **We conclude that those who assassinated Lebanon's former Prime Minister Rafik Hariri must be brought to justice. The Government and its international allies have taken appropriate and measured steps at the UN Security Council to ensure that the tribunal is established. We further conclude that the tribunal process has brought to the surface important questions regarding the under-representation of the Shi'a population in Lebanon's political system. We recommend that the Government work with its international allies to help the Lebanese parties find consensus on a more representative and democratic political system. (Paragraph 94)**

50. We welcome the Committee's conclusion that the Government has taken appropriate measures to support the establishment of the Special Tribunal for Lebanon. The Government played a key role in the process by co-sponsoring UN Security Council Resolution 1757, which established the Tribunal. Securing a just and swift outcome to the ongoing UN investigation and to the future work of the Special Tribunal will remain a high priority for the Government going forward. The Government agrees that institutional reform will be key to the long term stability of Lebanon. Electoral reform will be a central part of this and we will continue to follow with interest the work of the Lebanese Electoral Commission. We will also continue to engage politically and through project work to support the development of a stable political system, which looks beyond confessional ties.
- 14. We conclude that the Government's decision not to call for a mutual and immediate cessation of hostilities early on in the Lebanon war has done significant damage to the UK's reputation in much of the world. As the Minister admitted to us, the option of a dual track diplomatic strategy could have succeeded. We believe that such an approach could have led to reduced casualties amongst both Israeli and Lebanese civilians whilst still working towards a long-term solution to the crisis. We recommend that, in its response to this Report, the Government clarify on what date the first draft resolution calling for an immediate ceasefire or cessation of hostilities was presented to members of the Security Council, and what the Government's response to this draft was. (Paragraph 102)**
51. The Government does not accept the Committee's conclusion on the impact of UK policy during the 2006 Lebanon conflict on the UK's international reputation. As the Government said at the time, our objective last year was to work strenuously for a lasting ceasefire supported by a robust international framework to tackle the underlying causes of the conflict.
52. This is what was delivered in UNSCR 1701. The implementation of that Resolution – including the deployment of an enhanced UNIFIL contingent to South Lebanon alongside the Lebanese Armed Forces – has been a success. South Lebanon is now largely stable, attesting to the merits of the Government's approach last year and the effectiveness of the UN and Lebanon's implementation of UNSCR 1701. There has been little violence in UNIFIL's area of control since the cessation of hostilities last year.
53. The first draft Resolution was circulated to Security Council members on 29 July 2006. Following this, there were detailed and extensive discussions between Security Council partners before the final draft was adopted on 11 August 2006. The UK was involved in negotiations on UNSCR 1701 from the start. In the final stage of the negotiations, the then Foreign Secretary flew to New York to use her influence to bring matters to the earliest possible conclusion.

54. The UK also engaged in diplomatic efforts to resolve the conflict through discussions at the 2006 G8 Summit and the Rome Conference on Lebanon on 26 July 2006.
15. **We conclude that the failure rate of ‘dumb’ cluster bombs could be as high as 30%, much higher than the Government’s estimate of 6%. We further conclude that the failure rate of ‘smart’ cluster bombs could be as high as 10%, again significantly higher than the Government’s estimate of 2.3%. We recommend that, in its response to this Report, the Government state whether it is prepared to accept that the failure rate of ‘smart’ cluster munitions could be as high as 10%, and if so, how it justifies continuing to permit UK armed forces to hold such munitions (Paragraph 106).**
55. The Government’s policy on the use of cluster munitions balances military necessity with humanitarian concerns. Following an MoD assessment, the Defence Secretary announced on 20 March this year the immediate withdrawal of the UK’s “dumb” cluster munitions, the RBL 755 and the MLRS M26 (these being systems that have neither an autonomous guidance capability, nor a self-destruct mechanism). The UK variant of the M85 sub-munition, which we retained, has a self-destruct mechanism and therefore does not fall into this category. It has undergone rigorous and comprehensive testing prior to entering service and is subject to regular in-service trials. In September 2005 an in-service safety and performance test carried out at the Hjerkin Range, Dombass, Norway, concluded the failure rate was 2.3%. As such we do not accept that failure rates of the UK variant of the M85 could be as high as 10%.
56. The Government is concerned by reports of high failure rates of the Israeli M85 sub-munition in Lebanon, but notes that without Israeli firing data the quoted failure rates cannot have a status greater than an estimate. We are awaiting the results of Israel’s internal investigation into their system’s performance. We continue to call on Israel to make available to the UN full details of cluster munitions strikes from last summer’s conflict between Israel and Hizbollah.
57. We share the Committee’s concerns about certain types of cluster munitions. That is why the UK has withdrawn its “dumb” cluster munitions and is committed to securing a legally binding international instrument to address the humanitarian impact of such cluster munitions. The UK is playing a leading role in multilateral discussions with this aim.
16. **We accept that Israel has an inalienable right to defend itself from terrorist threats. However, we conclude that elements of Israel’s military action in Lebanon were indiscriminate and disproportionate. In particular, the numerous attacks on UN observers and the dropping of over three and a half million cluster bombs (90% of the total) in the 72**

hours after the Security Council passed Resolution 1701 were not acceptable. We recommend that, in its response to this Report, the Government explicitly state whether it believes that, in the light of information now available, Israel's use of cluster bombs was proportionate. (Paragraph 108)

58. As the UK made clear during the conflict last year, we were deeply concerned by the deaths of civilians and damage to infrastructure in both Lebanon and Israel. We consistently urged Israel to act proportionately, to conform to international law, and to do more to avoid civilian death and suffering.
59. The Government recognises the UN statistics that the Committee highlights in its report. It is concerned by the estimate that one million cluster bombs remained unexploded; that 26% of Lebanon's cultivable land had been contaminated; and that 90% of the cluster bombs dropped on Lebanon occurred in the last 72 hours of the conflict. The Government is concerned by the findings of both the UN Commission of Inquiry's investigation into the conflict in Lebanon and Human Rights Watch's September 2007 report, both of which conclude that Israel's use of force was disproportionate and failed to adequately distinguish between military and civilian targets. However, it should be noted that the UN Commission of Inquiry itself recognises in its Report (para. 20) that the Report cannot constitute a full and final accounting of all alleged violations. We also note the US State Department's announcement in January 2007 that "there were likely violations" by Israel with regard to a "use agreement" between the US and Israel on their supply of cluster munitions.
60. We recognise that Israel faced a genuine threat throughout the conflict, and suffered a significant number of civilian casualties as a result of Hizbollah's rocket campaign. However, the large scale use of cluster munitions in the final 72 hours of the conflict following the adoption of UNSCR 1701 caused significant loss of life and injury, and economic hardship, for the population of south Lebanon. We have expressed these concerns to the Israeli Government and will continue to urge the Israelis to provide all relevant information to UN on the location of their cluster munition strikes in south Lebanon.
17. **We conclude that both arms smuggling to Hezbollah and Israeli overflights into sovereign Lebanese territory threaten to undermine and embarrass the Government of Lebanon, as well as the UNIFIL forces operating in the south. We are concerned that the Government's calls on Israel to halt overflights are having little impact on its behaviour. We recommend that, in its response to this Report, the Government set out what progress has been made on addressing both of these issues. This should include the most up-to-date figures on overflights as well as any**

**new evidence of arms smuggling from Syria and Iran to Hezbollah.
(Paragraph 112)**

61. The Government remains concerned by reports by the UN Secretary General of continuing Israeli overflights of Lebanon in violation of UNSCR 1701. The Government continues to urge Israel to cease overflights of Lebanese territory. Although these flights temporarily reduced around January 2007, when the UN reported 45 overflights, we have seen an increase in recent months, with the UN reporting some 145 overflights in July 2007. This trend is a serious concern. The Government will continue to raise the issue with the Israeli authorities.
62. The UK remains concerned by a body of evidence suggesting continued arms smuggling across the Syria/Lebanon border. These include reports by the UN Secretary General in March and June 2007 which continue to identify arms smuggling to Hizbollah as a significant concern. In addition, Hizbollah leader Hassan Nasrallah has publicly confirmed their full rearmament. The UK continues to regard securing Lebanon's border with Syria to tackle arms smuggling as a high priority. The Government has taken an active role on this issue both in the UN Security Council and on the ground in Lebanon.
63. Following the conflict last year, Germany took the lead in efforts to assist the Government of Lebanon to improve border security through a Border Pilot Project (BPP). The German BPP seeks to introduce an integrated border management regime along Lebanon's northern border with Syria. The UK, and other international partners, have agreed to provide material support to the project. A new multi-agency Common Border Force will be established, co-ordinated from a Joint Operations Centre. This will monitor the two official border crossing points in the north as well as observing and patrolling the rest of the border using improved mobility and communications. The UK's contribution to the pilot project will be to fund the construction and outfitting of a Joint Operations Centre for the force and providing vehicles to enhance its mobility.
64. The Government has also been at the forefront of wider UN efforts to tackle this issue. The UK fully supported a UN border assessment mission to assess the security of the Syria-Lebanon border. The Lebanon Independent Border Assessment Team (LIBAT) reported back to the Security Council in June 2007. The LIBAT report highlights a lack of joined up working between the border agencies; lack of training, equipment, good practice and infrastructure; and lack of political will in some parts of system. The report also sets out a number of practical and detailed recommendations to address these points, for action by the Government of Lebanon, supported by the international donor community.

65. The Government welcomed LIBAT's recommendations. The onus is on the Government of Lebanon to implement the majority of the recommendations, and we were particularly encouraged by the decision of the Lebanese Council of Ministers on 28 July 2007 to establish a Common Border Force. The Government of Lebanon will need continued support from the international community in taking this forward. The German Border Pilot Project is an important first step. The Government will remain heavily involved in tackling this issue, both through our capacity-building activity inside Lebanon and through diplomatic activity at the UN. We will also continue to call on Syria and Iran to cease supplying and facilitating the transfer of arms to Hizbollah.
- 18. We conclude that the international effort to decontaminate south Lebanon from unexploded cluster bombs is of the utmost importance. We further conclude that the Government has made a good contribution to this work. We strongly welcome the brave work of the Manchester-based Mines Advisory Group as part of this effort. We recommend that the Government continue to support those working on cluster bomb clearance in south Lebanon and that it accelerate its financial contribution to enable the UN deadline for cluster bomb clearance of south Lebanon by December 2007 to be met. We are deeply concerned that the UN feels it does not have sufficient data from Israel on this issue. It is inexcusable that Israel is not providing full cooperation almost a year on from the conflict. We recommend that the Government apply strong pressure on Israel to provide the necessary information to the UN as soon as possible. (Paragraph 115)**
66. The Government welcomes the Committee's acknowledgement of the UK's contribution to clearing unexploded cluster munitions in south Lebanon. The Government joins the Committee in commending the excellent work of the Mine Action Group in south Lebanon. Significant progress has been made on the clearance of unexploded munitions. Approximately 18 square kilometres – half of the contaminated land – have been cleared by UN and Lebanese teams. A total of 122,000 unexploded munitions have been identified and destroyed.
67. As the Government outlined in its letter to the FAC of 12 July 2007, the UN's target remains to produce a 'cluster munition impact free south Lebanon' by 31 December 2007. This would allow all normal activities – including cultivation of farmland – to resume unimpeded. There will, however be some low priority areas (unused or inaccessible land) which will required continued UN clearance work until the end of 2008. The main reasons for the delays to the clearance of cluster munitions are: the mountainous nature of the terrain in South Lebanon; the failure by Israel to provide details of its cluster munition strikes; and the diversion of Lebanese Army clearance teams to assist in the fighting around Nahr El Bared refugee camp.

68. The Government will continue to support the work of Mine Action Group and has committed £980k to their work in Lebanon for the period 2007 to 2010. The Government has also committed £2.38m to the UN Mine Action Service. These financial contributions will help MAG, UNMAS and the LAF meet their self-imposed targets. In light of the wider circumstances outlined above, the Government does not believe that accelerating our financial contribution would have a significant impact on the timetable of mine clearance activity. We will remain in close touch with MAG to ensure that the UK's support to their work is as effective as possible.
69. The Government shares the Committee's concern that the UN has not received all relevant data from Israel on this issue. In his report of 29 June 2007 on the implementation of UNSCR 1701, the UN Secretary General confirmed that the UN had still not received details of the exact location, quantity and type of cluster munitions used in Lebanon during last year's conflict. We will continue to press the Government of Israel to fully assist the UN by providing this information. The information is essential to the work of the UN and the Government of Lebanon in South Lebanon, and for the safety of civilians in the area.
- 19. We conclude that Hezbollah is undeniably an important element in Lebanon's politics, although its influence, along with Iran's and Syria's, continues to be a malign one. We further conclude that, as the movement will realistically only be disarmed through a political process, the Government should encourage Hezbollah to play a part in Lebanon's mainstream politics. We recommend that the Government should engage directly with moderate Hezbollah Parliamentarians. The Government should continue to refuse to engage with the military wing of Hezbollah. (Paragraph 120).**
70. The Government agrees with the Committee's conclusions that Hizbollah plays a significant role in the political process in Lebanon. Our objective with Hizbollah remains to encourage them to disarm in compliance with relevant UN Security Council Resolutions, including UNSCRs 1559, 1680 and 1701, and to participate in Lebanese politics as a fully democratic political party. We continue to call on Hizbollah to end terrorist activity and participate in the democratic process on the same terms as other political parties. The UK will continue to calibrate its policy towards Hizbollah in the light of its actions.
71. Government policy on contacts with Hizbollah's political wing is based on our assessment of their behaviour, and our judgement of whether such contacts would encourage them to move away from violence and play a constructive role in Lebanese politics. Between 2001 and 2005, we had infrequent, working-level contact with Hizbollah in an effort to encourage an adjustment of its policies. In mid-2005, we judged Hizbollah did not intend to change its policies. In 2006, Hizbollah triggered conflict with Israel by kidnapping Israeli

soldiers. During the conflict it attacked civilian targets. Following the war Hizbollah Ministers resigned from the Lebanese Council of Ministers. Hizbollah leader Hassan Nasrallah has publicly confirmed the movement's rearmament, in violation of UNSCR 1701.

Syria

- 20. We conclude that Syria plays a significant role in most of the key areas in the Middle East and that this role may slowly be changing for the better. The support of Syria will be of great assistance to efforts to promote stability in the Middle East, in Lebanon and in Iraq in particular. This cannot be ignored when the Government and the international community engage in diplomacy with the Syrian authorities. (Paragraph 139)**
72. The Government agrees with the Committee's conclusion that Syria plays an important role in the region. However, the Government believes that Syria's policies in the region remain unhelpful in several areas. Regional issues, including Iraq, the Middle East Peace Process and Lebanon, will remain a central part of our dialogue with Syria going forward. It is for to Syria to decide whether it wishes to play a constructive role in the region.
73. On Iraq, we believe that Syria could do more to help foster security and stability in particular by improving border security to prevent foreign fighters crossing into Iraq from its territory, and by tackling the Al Qaeda-Iraq presence using Syria as a base for attacks in Iraq. There have been some positive developments in relations between Syria and Iraq, which we welcome. These have included: the establishment of reciprocal Embassies; a constructive Syrian contribution to the Iraq Neighbours Group meeting at Sharm El Sheikh in May 2007, which was followed by Syria hosting the first meeting of the Iraq Neighbours Security Working Group; and a series of Ministerial visits both ways, culminating in the visit to Damascus from 20-22 August by Iraqi Prime Minister Nouri Maliki. However, practical results on the ground will remain the true test of Syria's policies. We therefore look to Syria to translate these positive diplomatic developments into demonstrable action on the ground.
74. On the Middle East Peace process, we recognise the positive Syrian response to the re-launched Arab Peace Initiative. However, we continue to be concerned by Syria's support for Palestinian rejectionist groups, including Hamas, Palestinian Islamic Jihad and others. We have repeatedly said that such support only reduces the prospects for peace in the Middle East and that Syria should cease its support for these groups.
75. In Lebanon, we judge that Syria continues to play an unhelpful role. Syria continues to support Hizbollah, whose actions have had a destabilising effect

in Lebanon. Syria continues to facilitate the smuggling of arms to Hizbollah, in violation of UNSCR 1701. Syria interferes unhelpfully in Lebanon's internal politics, and has publicly suggested that it would not co-operate with the Special Tribunal for Lebanon. We continue to call on Syria to cease any destabilising activity and develop a mature and constructive relationship with Lebanon. Full implementation of UNSCR 1559 remains the Government's objective in this context.

76. We do, however, recognise that Syria has provided bilateral assistance to the UK in recent months through their efforts to mediate the release of the Royal Navy sailors captured by Iran on 23 March and in facilitating UK efforts to secure the release of the kidnapped BBC Gaza correspondent, Alan Johnston.

21. We conclude that the Government's decision to send Sir Nigel Sheinwald to Damascus in October 2006 was the correct one. In our view, the EU ban on ministerial contact with Syria is not helpful in the context of engaging constructively with the Syrian Government. We recommend that the Government resume such contacts without delay. We further recommend that the Government continue to support the work of Javier Solana as part of the EU's engagement with Syria. (Paragraph 144)

77. The Government welcomes the Committee's conclusion that the decision to send Sir Nigel Sheinwald to Damascus was right. His visit was part of the UK's efforts over the past year to encourage Syria to play a more constructive and responsible role in the region. It was subsequently followed-up by the visit of the then FCO Middle East Director Peter Gooderham on 8-10 May 2007 and a meeting between the then Foreign Secretary, Margaret Beckett, and the Syrian Foreign Minister, Walid Muallem, in Brussels on 14 May 2007. The UK continues to have full diplomatic relations with Syria and has contact with Syrian ministers when we deem it will usefully advance our interests. Both Sir Nigel and Peter Gooderham's visits to Damascus included meetings with Syrian Ministers. We will continue to calibrate the extent of our contacts against Syria's behaviour in the region and based on an assessment of whether such contact will advance our interests.

78. We will continue to work closely with EU partners, and with Javier Solana, on the question of how best to engage with Syria. Mr Solana's March 2007 visit to Damascus clarified what would need to happen for Syria to progress its relations with the EU. We will continue to support Mr Solana's work and discuss with his office and other EU Member States how he can best help co-ordinate and articulate the EU's approach. It remains the Government's view that a more constructive Syrian policy in the region is a pre-requisite for progressing its relations with the EU.

22. There is no excuse for Syria not to co-operate fully with the international tribunal over the death of Rafik Hariri and in no circumstances should

this be negotiated away. However, we conclude that more can be done to reassure Syria that efforts to build a workable democratic state in Lebanon are not aimed at destabilising the regime in Damascus. (Paragraph 148)

79. The Government agrees with the Committee on the importance of full Syrian co-operation with the Special Tribunal for Lebanon. As the Government has made clear elsewhere in this Command Paper, achieving a just outcome on this issue will remain a high priority. The Government is clear that our objective is a well-managed and effective UN investigation, and for the forthcoming Special Tribunal to secure a just and swift outcome on the Hariri case and other political assassinations. This will require full Syrian co-operation.

23. We conclude that the European Union Association Agreement with Syria presents a powerful incentive for President Assad to remedy his country's political behaviour, particularly given Syria's current efforts towards economic reform. We recommend that in its response to this Report, the Government set out the list of conditions that Syria would have to fulfil if the European Union is to ratify the Agreement. (Paragraph 149)

80. The EU wants close relationships with all of its near neighbours including Syria, as set out in the European Neighbourhood Policy. The Government agrees that the EU-Syria Association Agreement has the potential to be a strong economic and political incentive, in exchange for which Syria would change its regional policies. However, it is unclear whether Syria itself places any real value on the Agreement.

81. Any discussions about conditionality would be for the EU as a whole to take forward, and are not for the Government to set out. However, it is likely that we and EU partners would focus on Syria's record of co-operation (or otherwise) with a range of UN Security Council Resolutions, including UNSCR 1559 and UNSCR 1595, as well as an analysis of the evolution of its wider regional policies.

24. We conclude that a peace settlement between Israel and Syria would help to transform the political dynamics of the region. We recommend that the Government place much greater emphasis than at present on finding a settlement that will end Syrian support for Palestinian Islamist groups and the Israeli occupation of the Golan Heights. (Paragraph 150)

82. The Government agrees that peace between Israel and Syria would help to transform the political dynamics of the Middle East. The Government continues to believe that the Roadmap, which remains the internationally endorsed route to a comprehensive settlement of the Middle East Peace Process, including the Palestinian, Syrian and Lebanese tracks, is the best way to achieve peace between Israel and Syria. The UK continues to regard the

Golan Heights as a subject for negotiation within this context. As outlined elsewhere in our response we will continue to call on Syria to end support for Palestinian rejectionist groups, including Hamas, Palestinian Islamic Jihad and others. We will continue to make the argument that such support only diminishes the prospects for peace.

Egypt

- 25. We conclude that there are serious concerns about the progress of democratic reform in Egypt. We recommend that the Government should use its close relationship with Cairo to maintain pressure on the Egyptian Government to widen participation in its political system. We further conclude that the Muslim Brotherhood is a powerful and important force in Egypt. As long as the Muslim Brotherhood expresses a commitment to the democratic process and non-violence, we recommend that the British Government should engage with it and seek to influence its members. (Paragraph 161)**
83. The Government welcomes the Committee's acknowledgement of the strength of the diplomatic relationship between the UK and Egypt. Egypt remains a key partner for the UK in the Middle East. The bilateral relationship spans many issues including political, security and commercial. Egypt's weight on key regional foreign policy issues reinforces its importance as a key partner.
84. We share in part the Committee's concerns and agree that the pace of democratic reform has slowed. There have, nevertheless, been a number of steps forward since 2005. We will watch with interest to see how the constitutional amendments referred to by the Committee will work in practice. It is welcome that Egypt has committed itself to ending the long-standing Emergency Law by June 2008. New counter-terrorism legislation will be an important part of this. An Egyptian delegation headed by the Minister responsible for drafting the new law visited London in July 2007 at the invitation of the FCO under the auspices of the Global Opportunities Fund (GOF), and met Ministers, other Parliamentarians and senior officials to discuss the challenges of framing and implementing such legislation. We also share the Committee's interest in seeing wider participation in the political process. To this end, we are supporting, through the GOF, the work in Egypt of the Westminster Foundation for Democracy, whose important contribution the Committee notes in its section on Engaging with the Islamic World.
85. We will continue to work with and encourage the Egyptian government along the path of reform through sharing experiences and expertise, as well as by funding projects when we can. We are also working through the EU to promote reform. The EU/Egypt European Neighbourhood Policy Action Plan agreed on 5 March 2007 includes a number of political reform commitments to be worked on by both the European Commission and the Egyptian government.

The extent to which Egypt meets these commitments will influence the amount of EU funding they receive in future.

86. We share the Committee's analysis that the Egyptian Muslim Brotherhood is an important movement in Egypt. Muslim Brotherhood-backed independents won 88 seats (almost 20% of the seats) in the 2005 elections. We have a long-standing policy of engaging with Egyptian parliamentarians from all backgrounds, including those affiliated with the Muslim Brotherhood. We will continue to follow this policy.
- 26. We conclude that Egypt has an important role to play in the Middle East Peace Process. We recommend that the Government set out its policy on the Rafah crossing, and that it continue to work with Egypt and other parties to seek the reopening of the crossing as soon as possible. (Paragraph 165)**
87. We agree with the Committee's conclusion that Egypt has an important role to play in achieving peace in the Middle East. We welcome the efforts of the Egyptian government in initiating the 25 June meeting in Sharm el-Sheikh between President Mubarak, King Abdallah of Jordan, Prime Minister Olmert and President Abbas. We also welcome the efforts Egypt is playing in taking forward the Arab Peace Initiative. The follow up visit by the Egyptian Foreign Minister, Aboul Gheit, and his Jordanian counterpart Abdelelah Al-Khatib to Israel on 25 July was a positive step. We hope this will lead to further progress on the Arab Peace Initiative and support all efforts that will lead to the normalisation of Arab/Israeli relations.
88. The Government believes that access into and out of Gaza is of paramount importance. We continue to be very concerned by the humanitarian and economic implications of the closure of Gaza's crossings, particularly Rafah and Karni. We and EU partners continue to call on all parties, including Israel, Egypt, the Palestinian Authority and Hamas, to work towards an opening of the crossings for humanitarian and commercial flows in both directions and for the free movement of people. However, significant obstacles still remain in the absence of any clear and acceptable arrangements for security forces operating at the border crossings. The EU is ready to resume the full activities of the EU Border Assistance Mission (EUBAM) as soon as conditions allow. DFID is actively involved in proposing technical solutions to manage and secure Rafah and other crossings that can be implemented once agreement is reached.

Iraq

27. **We conclude that it is too early to provide a definitive assessment of the US “surge” but that it does not look likely to succeed. We believe that the success of this strategy will ultimately ride on whether Iraq’s politicians are able to reach agreement on a number of key issues. We recommend that, in its response to this Report, the Government set out what actions it is taking to facilitate political reconciliation in Iraq. (Paragraph 174)**
89. The Government agrees that it is still too early to evaluate fully the impact of the "surge" and we therefore believe the Committee to be premature to predict that it will fail. Undoubtedly many challenges still remain, but, as General Petraeus and Ambassador Crocker's testimony to Congress on 10-11 September 2007 demonstrated, significant progress has been made. General Petraeus reported that "the military objectives of the surge are, in large measure, being met." Ambassador Crocker's testimony demonstrated that while progress on security has clearly not been matched in the political process, here too there were signs of progress and, in his judgement, reason to believe that "Iraq's leaders have the will to tackle the country's pressing problems."
90. The Government agrees that political agreement and reconciliation are vital to achieving sustainable progress. We are doing all that we can to encourage political, religious and other leaders to support reconciliation and to engage in open and constructive dialogue to find a way forward. Key objectives include genuinely representative and consultative national government; professional and impartial security forces; a transparent and thorough review of the constitution; reform of the de-Ba'athification process; provincial elections; hydrocarbons legislation; supporting progress on economic management and investment issues; action to process or release long-term detainees and a dialogue with key stakeholders including armed groups where appropriate.
91. The Government welcomes the establishment of an Executive Council (Prime Minister, President and two Vice-Presidents) to improve cross-party consultation on key policies. We also welcome the 26 August commitment from Iraqi political leaders to work to strengthen participation in decision making and to improve both the performance of the Government and the process for approving new legislation.
92. In addition to the work of our Embassy and UK military representatives in Baghdad, we have provided a technical expert, funded by DFID, to provide advice to Prime Minister Maliki and the Ministry of Reconciliation and we continue to share our experience of reconciliation in Northern Ireland.
93. Achieving reconciliation in Iraq is a huge challenge. Historical, religious and ethnic differences have been deliberately exacerbated by terrorists, extremists

and malign external interference. The Government is determined to support Iraqis in building a more stable, secure and prosperous future by helping them to better use and manage their relatively high wealth. But ultimately the key political decisions lie in the hands of Iraqis themselves.

28. We recommend that, in its response to this Report, the FCO set out its key policy objectives in Iraq and how these objectives will be measured. This should include a section on how the Government is working to ensure the Iraqi Government meets its human rights obligations and make a fair allocation of oil and gas revenue. (Paragraph 175)

94. Our overarching objective remains the development of a sovereign, secure, stable, and prosperous Iraq, at peace with its neighbours and the region and playing a full role in the international community. It is unrealistic to expect standards of governance and human rights or social and economic conditions similar to those we enjoy in the UK to develop in a short time. But we hope that together with the Government of Iraq we can lay the foundations on which such standards might one day be built.

95. There is no scientific way to measure success in this. But we are working to support the following objectives:

- Transition of lead responsibility for security to the Iraqi security forces (ISF). To date this transfer has taken place in 7 out of 18 provinces, 3 of which have been in the UK area of responsibility in the South East;
- A genuinely representative national unity government and competent authorities acting effectively to promote national unity and reconciliation and to deliver key legislative and economic reforms and essential public services;
- Progress on key issues affecting reconciliation as set out in paragraph 93 above;
- Effective, professional and impartial police, prison and judicial authorities and Iraqi security forces, demonstrating increased understanding of and adherence to international human rights principles.

96. We have focused much of our technical assistance on developing the rule of law in Iraq. In the short term this work is essential to help reduce violence and bring criminals and terrorists to justice. In the medium and long term, it will be central in overcoming sectarian divisions, supporting a sustainable reconciliation process and delivering economic reconstruction.

97. In the past four years the UK has spent some £80 million on training and mentoring the Iraqi police. We currently have some 40 UK police advisers

deployed to work with the local Basra police and Iraqi Ministry of the Interior in Baghdad helping to tackle corruption, improve leadership and set up specialist units. UK prison advisers have helped to train over 1000 Iraqi Correctional Service staff to develop compliance with standards on capacity, conditions of confinement and treatment of detainees. This role includes oversight of renovations to prison facilities in Basra, including refurbishment of separate women's and juvenile facilities and equipment for basic juvenile education and mobile health.

98. DFID has provided over £2.1 million to support the rehabilitation of Iraq's judicial system to increase its independence, professionalism and respect for human rights. The EU Just Lex integrated Rule of Law mission in Iraq provides training in Europe for Iraqi justice system professionals. Some 350 members of the Iraqi judiciary have benefited from this training so far; approximately 60 of whom have been trained in the UK.
99. We believe that establishing a fair basis for the distribution of oil and gas revenues is a priority and that this could help promote national reconciliation. We have encouraged Iraqi political leaders to reach agreement on new hydrocarbons legislation to this end. Discussions on draft legislation continue, including on a draft revenue sharing law. Ultimately it is for the Iraqis to decide how to manage and develop their natural resources and the revenues which they generate.
100. It is a Government priority to improve the human rights situation in Iraq and we will continue to work towards strengthening the capacity of the Human Rights Ministry, eliminating torture in all places of detention, increasing public awareness of human rights and assisting the Government of Iraq in fulfilling its treaty reporting obligations. We have provided an advisor to the Ministry of Human Rights with a focus on the legal framework of the National Centre for the Missing and Disappeared and established a human rights training capacity within the Ministry.
101. The Government has also led a number of initiatives to support and improve the treatment of women in Iraqi society. These have included a programme of conferences and visits to the UK for Iraqi NGOs, parliamentarians and the judiciary. DFID has also provided £12.5 million to support the development of Iraqi civil society organisations and grass root initiatives to encourage marginalised people to make their voices heard in the political process.
- 29. We conclude that any intervention into Iraq by neighbouring countries would have an immensely damaging impact on regional security. We recommend that the Government urge Turkey in the strongest terms to refrain from carrying out or threatening to carry out such actions. We further recommend that, in its response to this Report, the Government**

set out what evidence it now has that points towards the complicity of the Iranian Government in supporting terrorism in Iraq. (Paragraph 180)

102. The Government welcomes the fact that, despite Turkey's legitimate concerns about terrorist groups operating from Iraqi territory, it has shown restraint in its response. We continue to encourage Turkey to maintain its channels of dialogue with the Government of Iraq and to engage with the Kurdish Regional Government. We are urging the Government of Iraq to do more to address Turkey's legitimate security concerns. We have urged the Government of Iraq to proscribe the PKK as a terrorist organisation and to take firm steps to remove its ability to launch attacks against Turkey. We welcome the recent visit by Prime Minister Maliki to Turkey and the Memorandum of Understanding that was signed regarding cooperation between Turkey and Iraq to prevent and suppress terrorism and organised crime.
103. The Government agrees with the Committee that any intervention in Iraq by neighbouring countries would be extremely serious, both in terms of Iraq's own stability, and wider regional security. Specifically, we are concerned by the behaviour of Syria and Iran. Both these countries have a long-term interest in a secure and stable Iraq and a vital role to play in ensuring that this stability develops. However, we are concerned that some of their policies are undermining the Government of Iraq and the long-term prospects for Iraq's future stability.
104. As the Government outlined earlier in its response, while Syria has taken some measures to improve the security of its borders with Iraq, such as stepping up its co-operation with the Government of Iraq through the establishment of working groups and high level visits, it could do considerably more. In particular we want to see practical action on the ground, resulting from a closer working relationship with the Iraqi security forces, to prevent the flow of foreign fighters and other insurgents into Iraq.
105. Iran is actively undermining security in Iraq by using the Quds Force of the Islamic Revolutionary Guards Corps to supply Shia militias and other illegal armed groups with weapons and training. This support is unacceptable and we continue to call on the Government of Iran to refrain from such activities. UK forces take action in Iraq against any individuals or organisations, regardless of nationality, involved in the transfer of weapons and training to illegal armed groups in Iraq. We will continue to update the Committee and Parliament with evidence of Iranian interference in Iraq as and when it becomes available, subject to operational security.
- 30. We conclude that it is welcome that regional states and key international players are now engaged in formal discussions on the situation in Iraq. We note that it has long been the policy of the Government to engage with Iran, and we are encouraged by signs that the US Administration is now**

accepting the wisdom of this approach. We recommend that, in its response to this Report, the Government set out the key agreements of the International Compact for Iraq and what progress has been made towards them. (Paragraph 184)

106. Like the Committee, the Government welcomes the discussions that have taken place involving Iraq's neighbours and key international players and appreciate the Committee's endorsement of our own approach. It is vital that Iraq's neighbours act to support the Iraqi Government's efforts on security and reconciliation.
107. The UK has been a strong supporter of the International Compact with Iraq, which provides a framework for economic, political and security sector reforms. Under the terms of the Compact the Government of Iraq has committed to pursue fundamental socio-economic reforms, including public resource management, governance and institutional strengthening, anti-corruption measures, subsidy reform, private sector development, financial sector restructuring, promotion of security, an established regulatory and institutional framework based on the rule of law, hydrocarbon legislation, and refined agriculture and water management strategy. With UK support, a Compact Secretariat has been established in Deputy Prime Minister Barhem Saleh's office and governance, security sector, finance, oil & gas and electricity sectoral working groups are being established.
108. In June, the Iraqi Government and the UN presented a 2007 Mid-Year Progress Report outlining areas of progress on Compact commitments and outlined work needed to make further progress. The full Compact Document and Joint Monitoring Matrix is available on the Internet (<http://www.iraqcompact.org>).
- 31. We conclude that the Iraq refugee crisis requires urgent attention. We are concerned that the Government does not appear to have provided any financial support to the UNHCR to assist the plight of refugees between 2004 and 2006. We recommend that, in its response to this Report, the Government set out how much of the money provided to ICRC in these years was earmarked for refugees outside of Iraq's borders. We further recommend that the Government provide financial assistance to Syria and Jordan to help them cope with Iraqi refugees, but that this assistance should be conditional on these countries keeping their borders open to Iraqi asylum seekers. We welcome the Government's proposal to resettle a small number of very vulnerable Iraqis and recommend that it accelerate its discussions with the UNHCR on this issue. (Paragraph 189)**
109. Like the Committee, we are very concerned about the humanitarian situation in Iraq and the increasing numbers of people who have been displaced due to continuing violence.

110. The Iraqi Government has the primary responsibility for providing assistance to meet the needs of its people, whether they are displaced internally or have fled to neighbouring countries. The Iraqi Government has sufficient resources to do so and we will continue to press the Government of Iraq to step up its response to the situation and develop its policy on how best to provide assistance.
111. The UK has been working to bolster the capacity of the international system to support the Iraqis in doing this. We have provided financial support to the UN to establish a more effective coordination structure in both Amman and Baghdad. This is now happening. We will continue to press for stronger leadership and direction from the UN.
112. Since 2003, our humanitarian contribution for Iraq has totalled over £125 million. Between 2004 and 2006, our priority was to provide emergency assistance to internally displaced people and other vulnerable people within Iraq. Our assistance was channelled through the International Red Cross and since 2003 we have provided them with £39 million for this purpose.
113. We have discussed this issue of Iraqi refugees with the governments of both Syria and Jordan. We do not believe that providing bilateral aid to the Syrian and Jordanian Governments is the best way to help them meet the needs of their Iraqi refugee populations. However, the UK continues to support the UNHCR in its lead role of meeting the urgent needs of displaced people both within Iraq and in neighbouring countries. In 2006 the UK contributed approximately US \$52 million to support the work of the UNHCR worldwide, including in Syria and Jordan.
114. The Home Office is in regular discussion with the UNHCR on options for including some Iraqis in the United Kingdom's Gateway refugee resettlement programme.

Iran

32. **We conclude that Iran is rapidly increasing its influence and power across the Middle East. It has demonstrated that it is able to generate or exploit crises in a range of countries, thus furthering its own interests. We conclude that it is vital that the UK and the international community engage constructively and coherently with Iran on these difficult issues. We will consider the challenge of engagement, in particular on Iran's nuclear programme, in greater depth in our report on Global Security: Iran. (Paragraph 209)**
115. The Government agrees that Iran has sought to further its own interests by exploiting crises in other countries, most notably by destabilising the political and security situation in Iraq, and continuing to arm Hizbollah in Lebanon.

However we do not agree that its influence and power are increasing rapidly. Iran's economy is in a poor state. Its diplomatic influence is limited. As the Committee's report points out, countries such as Jordan, Egypt, Saudi Arabia and the United Arab Emirates have worked to counter Iran's influence. They are keen not to see Iran in the role of regional leader. As a result of its refusal to address international concerns about its nuclear programme, Iran is also facing sanctions agreed unanimously by the UN Security Council – a further indication of its international isolation.

116. We fully agree that the UK and international community should engage with Iran on difficult issues. The UK engages with Iran on a range of difficult topics at present, including Afghanistan and Iraq. Through the E3+3 (the UK, France, Germany, the US, Russia and China) we have also offered a comprehensive set of negotiations on the nuclear issue. However, constructive engagement is also required from the Iranian side for any such dialogue to succeed. At present, this is not forthcoming.
117. Iran's regional influence, its activity in Afghanistan and Iraq and the nuclear issue are covered in detail in the Foreign and Commonwealth Office's submission to the Foreign Affairs committee for its forthcoming inquiry, Global Security: Iran.

BRITISH DIPLOMACY AND THE REGION

- 33. We conclude that the use by Ministers of phrases such as 'war on terror' and 'arc of extremism' is unhelpful and that such oversimplifications may lead to dangerous policy implications. We agree with the Minister for the Middle East that these phrases cause unnecessary resentment. We recommend that the Government should not use this or similar language in future. (Paragraph 216)**
118. The Government agrees with the Committee on the need to consider carefully the language we use in our communications and that inappropriate language can be counter-productive.
- 34. We conclude that, when measuring its performance on conflict prevention and combating global terrorism, the Government should pay closer attention to the impact of its foreign policy in the Middle East than it has done under the 2004 Public Service Agreement targets. We recommend that the indicators for the 2007 Public Service Agreement target on Conflict Prevention reflect the impact of conflicts in the Middle East, including Iraq, the Occupied Palestinian Territories and Lebanon, on broader global security. (Paragraph 222)**

119. We agree with the Committee's recommendation that the indicators for the 2007 Public Service Agreement target on Conflict Prevention should reflect the impact of conflicts in the Middle East. Although the Conflict Prevention PSA Delivery Agreement for Preventing and Resolving Conflict has yet to be finalised, we share the Committee's view that it should give due prominence to the Middle East, and include indicators for Iraq, the Occupied Palestinian Territories and Lebanon.
- 35. We conclude that the FCO should continue to have a Departmental objective on relations with the Islamic World. This should, however, give sufficient weight to the impact of British policy in Iraq, Lebanon and the Occupied Palestinian Territories. We are concerned that the damage done to the Government's reputation in the Arab and Islamic World may effect its ability to influence the political situation in the Middle East. We recommend that, in its response to this Report, the Government set out what action it is taking to improve its influence and reputation in the Arab and Islamic world. (Paragraph 230)**
120. Relations with the Islamic World remain central to delivery of the Government's strategic international priorities, notably in terms of making the world safer from global terrorism and preventing and resolving conflict. This will be fully reflected in the performance management framework for FCO activities over the CSR07 period.
121. The United Kingdom has strong relations with Muslim-majority countries and communities, through our governmental, people-to-people, cultural, educational, trade and other links. Based on shared values and interests, we are working together for a safer, more just and more prosperous world for all, addressing the common challenges that face us all, such as development, terrorism and climate change. We continue to promote greater dialogue and understanding with Muslim and other countries and to improve our communications to the region, including through an Arabic speaking spokesman recently posted to Dubai and our network of contacts and relationships throughout the region.
- 36. We recommend that the Government publish a public strategy paper on its relationship with the Middle East. This paper should set measurable targets for progress, and consider the political situation in different countries as well as addressing important cross-cutting themes such as democratisation, good governance and the rule of law. We believe that such an approach will help ensure the Government continues with a holistic approach to the region, improve the public's confidence in the Government's approach to the Middle East, and increase the opportunity for effective scrutiny of its engagement in this area of multiple crises. (Paragraph 233)**

122. The Government notes the Committee's recommendations and will reflect further on how best to set out its strategy on the various aspects of the Middle East in the light of the Government 's National Security Strategy and the Public Service Agreement on Conflict Prevention, both of which will be published in the coming months.

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