

Foreign Affairs Committee

Oral evidence: Implementing the Integrated Review: Tilt to the Indo-Pacific, HC 1095

Monday 12 June 2023

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Watch the meeting

Members present: Alicia Kearns (Chair); Saqib Bhatti; Sir Chris Bryant; Liam Byrne; Neil Coyle; Drew Hendry; Bob Seely; Henry Smith; Royston Smith; Graham Stringer.

Questions 221 – 292

Witnesses

I: Rt Hon. James Cleverly MP, Secretary of State, Foreign, Commonwealth and Development Office; Sir Philip Barton KCMG OBE, Permanent Under-Secretary, Foreign, Commonwealth and Development Office.

Examination of Witnesses

Witnesses: Rt Hon James Cleverly MP and Sir Philip Barton.

Q221 Chair: Welcome to this session of the Foreign Affairs Committee as part of the Indo-Pacific tilt inquiry. Today, we have before us the Foreign Secretary, James Cleverly, and the Permanent Secretary, Sir Philip Barton. Welcome, both, and thank you for making the time to speak to us today.

Foreign Secretary, has the tilt been achieved?

James Cleverly: Embedded in that question is the soft implication that that tilt is something that is a discrete point in time or a discrete function. The fact is that it is going to be an ongoing piece of work. To one extent, the answer is yes, given the fact that we have already achieved things like AUKUS, the jet agreement with Japan, Italy and the UK,¹ or our accession to the CPTPP. To another extent, the answer is inevitably going to be no, because it is an ongoing piece of work; it does not have a completion date or a completion point. It is about ongoing engagement with the region, hopefully for decades to come.

Q222 Chair: The refresh said that it had now been delivered, which made it sound quite final. If it is a long-term journey, what is the long-term effect? If we want to put it in terms of decades, how do we judge whether it has been successful in 20 years' time? How do we judge if it has been successful in a year's time?

James Cleverly: In a very real sense, it has already shown its success. Our levels of engagement with the region are higher than they have been for some time—for example, our accession to the CPTPP, our ASEAN relationship, or the fact that I have travelled to some of the Pacific islands on the first Foreign Secretary visit for decades. It is working. It is happening.

Ultimately, its success will be judged on whether, in decades to come, a future Foreign Secretary is as engaged as I am and as the ministerial team and officials within the Department are. Like a lot of things to do with international relations and diplomacy, there is not an easy hard metric, but how we influence the region is important and we are seeing increased levels of influence in the region. I am very pleased with that and very proud of that, but, as I say, it is an ongoing piece of work. It is not something that you just do and then stop. It is like painting the Forth bridge; you just have to keep going at it.

Q223 Chair: If we take it out of the metrics of engagement and interest that you have just set out, what is the meaningful effect in terms of British

¹ The Foreign Secretary wanted to provide the following additional information after the session: "[Through the Global Combat Air Programme \(GCAP\), announced in December 2022, the UK is partnering with Japan and Italy to develop a next generation fighter jet.](#)"

security and Britain plc? Many people would say that the Indo-Pacific tilt is all about a recognition of the hostilities coming from China. Those did not feature in your answer in terms of how we will be safer as a result of this.

James Cleverly: The focus on the Indo-Pacific is about all the countries in the Indo-Pacific; it is not just about China. Of course, China is a very large, influential and significant player, so it would be ridiculous to have an increased focus on the Indo-Pacific and not increase our focus on China, but it is not exclusively about China.

If I step back to the Mansion House speech that I gave, which was predominantly about China, I made reference to the fact that part of this focus on the Indo-Pacific is about building long-term, sustainable relationships and good international relations with the countries of the Indo-Pacific, because, as I said in the speech, the centre of gravity of both world wealth and influence is moving eastwards and southwards. There is no point in us trying to fight that.

That is a multi-decade-long trend, and I have every reason to believe that it will continue, so it is in our interests, economically and in terms of security relationships, to make sure that we have really strong, long-term, embedded relations with the countries and, indeed, the individuals of that region. That is what we set about doing. We got some early wins in terms of trade, security, AUKUS and FCAS,² but there will be slower, less easily measurable wins as well.

Q224 **Chair:** If I reverse it, what would be a sign of failure in 10 years' time?

James Cleverly: I intend not to fail.

Q225 **Chair:** I would love to say that our approach to China over the last 10 years had adopted that attitude, but the problem with the golden era is that we thought that, by opening up and showing market democracy and market economies, China would see our way of life and go, "Wow, I wish we could adopt that," but they did not, and there was no plan B for if that failed. So what is our plan B if the Indo-Pacific tilt does not work? What does failure look like and what we are doing to prevent that?

James Cleverly: Because this is an ongoing piece of work, we would have failed if we lost interest in that region and reverted to the comfort blanket relationships that are perhaps easy to manage and to maintain. If we crumpled back in to just being exclusively a G7-focused country, that

² The Foreign Secretary wanted to provide the following additional information after the session: "On 9 December 2022 the Prime Minister and his Japanese and Italian counterparts announced a partnership to develop a next generation fighter jet by 2035 (the Global Combat Air Programme). When developed, the aircraft will operate as the central part of the UK's and our partners' Future Combat Air Systems (FCAS) - cutting-edge systems of wider combat air capabilities which may include uncrewed aircraft, sensors, weapons and advanced data systems."



would be an error. If we were to fail to recognise that this is an enduring piece of work that is going to require us to evolve and adapt our relationships, that would be a failure. If we try to harvest the benefits too quickly or too transactionally, that would be a failure.

It is about having the respect of the countries of the region, to know that they would want from us continuity and predictability for decades to come. Take China as an example. China measures its history in millennia, not centuries. If we are not consistent over at least decades, it just looks as if we are hamster in a wheel. That is why we need to have the self-confidence to say that we are a significant player and that these countries want to engage with us, and they will want to engage with us for decades to come.

Q226 Chair: I do not disagree, but the focus in that vision that you are setting out for us is about relationships and engagement. Where are the hard-edged KPIs in the Indo-Pacific tilt?

James Cleverly: Relationships and engagement are hard-edged. I would really push back on the idea that diplomacy and developing international relations and multi-decade-long relationships is somehow the soft side of what we do. That is a really important function. It is hard power.

Q227 Chair: No one is saying that it is not important. What we are saying is that, when you are doing programming in the Foreign Office, you say that the hard-edged effect that we want to achieve is a reduction in drug smuggling; we do not want to see the invasion of Taiwan; we want to see fewer efforts by the Chinese Government to undermine multilaterals or insert their civil servants. Where are the harder-edged, if you wish—rather than hard-edged—KPIs?

James Cleverly: There is a balance to be struck. One of the risks is that, if you try to push for KPIs that are too short-term in your goal, you fall straight into that erroneous belief that this is all stuff that plays out over the course of weeks or months. When we are dealing with India, for example, which has a history and a culture that, again, reaches back millennia, or with China, which views itself in millennia, what we do not want to and must never do is allow ourselves to be painted by our detractors as being short-termist and transactional. If that perception is allowed to be embedded, it undermines our ability to develop those long-term and really meaningful relations, so we have to be careful.

We are about delivery. AUKUS is a deliverable. CPTPP is a deliverable. ASEAN dialogue status is a deliverable. Trade deals are deliverables. We are making sure that we have regular milestones on this journey, but we have to think long-term and long-game, because that is what the countries of this region do, and do very well. We need to calibrate our pace to theirs, rather than, perhaps arrogantly, dictating that they calibrate their pace to ours.

Q228 Chair: I agree, and that is exactly the point that I made about the

failures of the last decade. I would just caution that, if we do not know what failure looks like and have not worked out what we are trying to deter, the risk is that we fail to stop those things from happening.

If we have tilted to the Indo-Pacific, why has there been no meaningful increase in CSSF funding to the Indo-Pacific? It has gone up by only £2 million, which is not a big increase, to £11 million. Every other geographical CSSF pot is tens of millions, and the Indo-Pacific is £11 million.

James Cleverly: That is one of the tools at our disposal, but certainly not the only one. Over the past few years, we have increased our diplomatic footprint in that region. That is an incredibly important part of it. We do not have as much money as we would like. Find me a Secretary of State who would not prefer more money to play with. CSSF funding is a useful tool but not an exclusive tool.

Q229 **Chair:** Do you accept that is a bit of an anomaly? That is our operational funding arm. When you want to deliver programmes about security and stability, that is the pot that you go to, and there is not an alternative to it, so it does seem odd.

James Cleverly: A lot of countries in this region do not need or want our money.

Q230 **Chair:** It is not like ODA. It is not about giving them money. It is about us operationalising and delivering effect, sometimes without the host country knowing.

James Cleverly: The delivery of effect is discharged through our diplomatic network. Our ambassadors, defence attachés and trade envoys, and the Home Office teams embedded in our embassies around the world, are delivering effect every day. The nature of the countries in that part of the world means that a number of them do not need the same things as, for example, Africa or the western Balkans might need. Comparing it to something like CSSF, which skews itself towards certain types of interaction, while not inappropriate, does not show the whole picture.

Q231 **Chair:** We will agree to disagree on that one.

We have been very critical on this Committee that the tilt was a tilt away from the Middle East. Perhaps the use of the word “tilt” was, in retrospect, not the right one to use, because you have to tilt away from something to tilt towards something. The Middle East has historical commitments that the UK should be upholding. Is that a fair challenge?

James Cleverly: I will take on board that the use of the word does imply a tilt to and, therefore, by definition, a tilt away. This was something that was raised with me in the first iteration of the IR as the Minister with responsibility for our relations in the Middle East. I have never been a big fan of the word “tilt”. It is a useful enough word, and frankly I cannot



think of a better one, but it does imply a zero-sum game. That is an error, because we do not view it as a zero-sum game.

I have had extensive interactions with a number of Middle Eastern interlocutors whom I got to know when I was the regional Minister. For example, during our repatriation and evacuation operation from Sudan, I was speaking with my Saudi opposite number on not quite a daily basis but multiple times a week, so it is as well as rather than instead of. We do not regard it as a zero-sum game.

Q232 Chair: Can I challenge you on that? You mentioned when explaining why the Indo-Pacific tilt has been a success your many visits to the region. As Foreign Secretary, have you visited the Middle East?

James Cleverly: Yes. I have been to Qatar and Bahrain. I have had bilateral meetings. Because of the sad death of Her Majesty the Queen, I have had a lot of opportunity to host inward visits from the region, as well as more celebratory ones. I have had quite a lot of facetime with my interlocutors in the region.

I will be honest with you—and I have had this conversation with them as well—that I am conscious of the fact that, having been the Minister for that region and having visited the region extensively when I was a regional Minister, there were other parts of the world that I needed to get to know a little better, hence my recent visit to Latin America and to the Pacific islands, which are two areas that I did not know previously. I maintain, both face-to-face and through digital connections, a strong relationship with the region.

Q233 Bob Seely: Thanks for being here, Foreign Secretary. I get what you are saying. No one is saying that we should crumple back. It is vital that our alliances for the 21st century, especially in the Indo-Pacific, are going to be with allies such as Korea and Japan, as well as with major states such as India and traditional states such as Australia. CPTPP and AUKUS are brilliant successes, so many congratulations.

What frustrates me still, I'm afraid, is some of the flaws that I hear in your argument over China. You are right to say that these people talk in decades—that is a truism, if not a cliché—but we are still remarkably inconsistent. That is what I would like to briefly talk to you about. I am really confused by our China policy, which seems to me the political version of a pushmi-pullyu. On the one hand, we see it as a threat—Xi is talking openly about being ready to invade Taiwan by 2027. We see China, with its Made in China policy, wanting greater independence from the rest of the world, while at the same time encouraging greater dependency on China by us and other states.

China is a really big issue. We do not have time to talk about all of it today, so let us just look at supply chain dependency. I find the Government are disinterested in our increasing dependency on supply chains. I am not going to lose any sleep over incredibly trivial and unimportant things like 83% of our Christmas trees coming from China,



but, on stuff like cellular modules or all the machinery of green technologies, we are becoming increasingly dependent on one country. I would not like it if that was Australia or the United States, so why are we allowing this and not even questioning it? When people like me say, "Let us have a statement on dependency. Let us look into this. Let us try to diversify supply chains," I still just get a shrug of the shoulders from Government. Sorry about the long question.

James Cleverly: I fundamentally disagree with your analysis. I gave the speech at Mansion House because I know there is desire, which I understand, to have a one-word definition of our assessment of our relationship with China. The point that I was making is that we do not do that with any other country in the world, for a very important reason, which is that international relations are always more complicated than that.

The point that I made in the speech is that there are three pillars of our foreign relations with regard to China. One is that we need to recognise the need to protect ourselves domestically from any kind of malign influence, from IP theft or from unacceptable activity in terms of supply chains, critical minerals, et cetera. Another column was building load-bearing relationships in the region. That is a big part of what we discussed in terms of the IR and its refresh, including with longstanding, traditional anglophone Commonwealth friends, but also with other countries. The third pillar was engaging with, influencing and seeking to have a positive influence on China using the good old-fashioned, patient diplomacy skills that the UK is excellent at.

The fact that the speech ran through those domestic protections that we need to put in place shows that we have been thinking about supply chain resilience. We have been thinking about critical minerals. I have spoken on a number of occasions with African leaders and have said, "Do not allow what happened to Africa with coffee and cocoa to happen with critical minerals." The continent of Africa lost value-add overseas and revenue from coffee and cocoa exported raw—money which it could dearly do with itself. I said, "Do not do that again with critical minerals." I am saying to African leaders, "You should create an environment where investment can come into your country to process those minerals near the point of extraction, which is better for the environment and for your economy and does not leave you dependent on revenue streams from overseas, like you have done with coffee and cocoa". I have had those conversations with African leaders. I have conversations with the Canadians about their critical mineral strategy and their Indo-Pacific strategy.

I completely understand and have a lot of sympathy with the concerns that you raise, which are things that we need to watch out for, but it is there in the speech that I gave on China that we are looking out for those things.

Q234 **Bob Seely:** I get that and I read your speech on China, but I will ask a

very specific question: what is the Government's fact-based assessment of our supply chain dependency? Effectively, the Government have no assessment and have no requirement to publish an assessment. Apart from some vague, "It is probably not great to be so dependent on China," what is our fact-based assessment of supply chain dependency? Do we have one? Does any Government Department produce one?

James Cleverly: I do not know of any Government who have that. If I am wrong, pull me up on it.

Q235 **Bob Seely:** The US Government apparently do.

James Cleverly: I have not seen that and it has not been raised in the bilateral conversations that I have had with Tony Blinken about the United States' strategy of engaging in terms of protecting but not decoupling. In the conversations that I have had with our closest allies on this, we are very closely aligned in the recognition that credibly we are not going to extract China from our, or indeed anyone else's, supply chains.

We need to have the safety that comes with having a blended portfolio. I am a free marketeer. I am never comfortable with single-source supplies, but, in the conversations that I am having with our friends, both in the immediate region and more broadly, we are very closely aligned on this.

Q236 **Bob Seely:** I know that it is early days on this. We are making some progress, because Alicia's amendment has been accepted, so the Government are going to be looking at supply chains in relation to defence. However, that does not include dual-use items and certainly does not include a range of non-defence items.

Chair: It covers all procurement, including cellular and everything else.

James Cleverly: This is Government procurement.

Chair: Yes.

James Cleverly: The problem is that doing a whole-economy audit on supply chains is an absolutely mammoth task. This is why I want to see what the US has produced and in how much detail. In terms of the order of magnitude just in the UK economy, if the US has conducted an audit of all the supply chains in both private and public procurement, I would be very interested in seeing that, but I have not seen it. It is not something that I have discussed with the Americans, and I speak with them on this issue pretty regularly.³

Q237 **Bob Seely:** I will send you one that I did a couple of years ago. Depending on what your definition of "strategic dependency" is, in critical

³ The Foreign Secretary wanted to provide the following additional information after the session: "HMG have committed to publishing a UK Supply Chains and Import Strategy to support specific government and business action to strengthen our resilience in critical sectors."



elements of the economy Australia has strategic dependency on China in 595 categories, Canada in 367, New Zealand in 530, the United Kingdom in 229 and the US in 414.

James Cleverly: So we are better than the others.

Q238 **Bob Seely:** Yes, but we are still pretty dependent on them. I am happy to send that, because we have attempted to do it, but the point that I am making here is that the danger is that, if China moves on Taiwan, either intelligently by strangling it, or Putin-style by attacking it, and if we then try to put the mother of all sanctions on China, even if we are not engaged ourselves, we will not only collapse our own economy but, in concert with others, the outcome will be the collapse of the global economy, because of our dependency.

Therefore, a first step in terms of the way to deal with this is to understand the nature of your strategic dependency on one other country, and then we can begin to do things to encourage dates to diversify supply chains—to go to Vietnam, to Bangladesh, to India or to South Africa—or to bring, dare we say, some of this stuff here, where this stuff can be made, maybe with less environmental damage. The first step is understanding, and we are still not willing to do that. That is the point.

James Cleverly: You are rushing to granularity that is not necessary. If an avalanche is coming, you do not need to count the snowflakes. You know that an avalanche is coming. In the speech, I addressed the fact that disruption across the Taiwan strait would have a catastrophic effect on the global economy, including China's economy, by the way. We are already looking at making sure that we diversify our supply chains. This is not exclusively but part of why CPTPP is so very important. This is why we are engaging with the countries in the regions.

If I was doing resource management and was setting aside the time of my officials or, indeed, any other Government officials, we could do a degree of analysis like you have put forward, and it would tell us what we already know, which is that we need to diversify. We are already doing that.

Q239 **Bob Seely:** Practically, what are we doing to get our companies to diversify, so that we lessen our dependency on and our risk from one very large, potentially adversarial state, which is threatening war or forced reunification against another territory, which will have the mother of all impacts on the globe, including the global economy?

James Cleverly: We have been working with regard to semiconductors, for example, and particularly high-end semiconductors. We have been doing a piece of work across Government on that. I raise this with our international interlocutors in terms of alternative supply routes and alternative production. I gave a number of examples of where I was having those conversations with Africa.

There is no point in us turning around to the commercial world and saying—and I am not saying that it would be an appropriate thing to say

anyway—"Do not buy stuff sourced from this country, if there are no other sources available". This is why we are working internationally to make sure that there is a diversity of sources and to make sure that we are increasing the diplomatic and economic cost of bad decisions when it comes to international aggression, from whichever country it might emanate and towards whichever country they might be focused upon.

None of these is immediate and none of these is a quick fix, and none of these things will be done unilaterally. I can assure you that the diversification of supply chains is an issue that I raise regularly with the United States of America. I have had conversations with both the Trade Secretary and the Prime Minister on this very issue. This is very much at the forefront of our thinking and we are taking action, in concert with others in the international community, to address it.

Chair: There is a problem within the system, though. When I met with procurement officials well over a year ago for the first time, they did not think that national security had a role to play in the Procurement Bill. They were like, "No. Why would this have any impact?" There is a problem across the system. It took nine months for them to recognise that national security should be within the Bill, and then another six months to get any amendments done. They have now made some fantastic amendments, but there is a systemic problem here, which I imagine Liam might lead us to.

Q240 **Liam Byrne:** I just want to check that we are on the same planet here.

James Cleverly: I am on this planet.

Q241 **Liam Byrne:** Do you know what has happened to imports from China in the last year?

James Cleverly: By the tone of your question, I would suggest that they have probably increased, but I would also imagine that, bearing in mind the benchmark year would be a Covid year, that is not surprising.

Q242 **Liam Byrne:** Do you have a sense of what imports from China are now?

James Cleverly: I do not have those figures in my head.

Q243 **Liam Byrne:** Imports are £73 billion. Do you know how much that has gone up in the last year?

James Cleverly: As I say, if the benchmark year is a Covid year, it would not surprise me if it has gone up quite considerably.

Q244 **Liam Byrne:** They have gone up by £10 billion, which is about 15%. That is how fast our imports from China are rising right now.

James Cleverly: As I say, that is benchmarked against a Covid year. If you look at trade across almost every country in the world, there is an increase if you are benchmarking against a Covid year, so that does not surprise me. I am not sure that it proves the point that I think you are trying to prove.



Q245 **Liam Byrne:** Let me say why it proves the point. Have you read the G7 communiqué?

James Cleverly: I was involved in writing it.

Q246 **Liam Byrne:** You will remember the line where it says, "We will reduce excessive dependencies in our critical supply chains". Can you just tell the Committee what the definition of a critical supply chain is?

James Cleverly: It is on things that underpin our energy generation or our economic foundations. It is on the kinds of technologies that we will need for the green transition and for making full benefit of technological advances. These things are fairly well understood.

Q247 **Liam Byrne:** You have not specified what they are. I do not think the Government have specified what they are. What you just set out would account for a pretty significant chunk of the economy. If our imports from China have just gone up by 15% in the course of a year—

James Cleverly: From a historic low, Liam.

Q248 **Liam Byrne:** £63.7 billion was not a historic low. That was a record high at the time. Are you saying that our dependence on critical supply chains has gone up or gone down?

James Cleverly: Without knowing the mix of those, you cannot tell from the figures that you have put in front of us.

Liam Byrne: They are the ONS figures, not mine.

James Cleverly: I am not disputing the figures. I am just saying that you cannot make the assessment without the granularity of what things have gone up and of what the rises are compared with the imports from others. We are conscious at the moment that, in certain key technologies, there is an overreliance, which, as part of the G7 communiqué, we have committed to address. If you are comparing changes in the past with intentions in the future, you are comparing fundamentally different things.

Q249 **Liam Byrne:** You have signed a G7 communiqué that says that we are going to reduce excessive dependencies in our critical supply chains. We seem to be struggling to define what the critical supply chains are.

James Cleverly: No, we are not.

Q250 **Liam Byrne:** We seem to be struggling to define whether the dependence has gone up or gone down in the last year.

James Cleverly: No, we are not.

Q251 **Liam Byrne:** Has it gone up or down?

James Cleverly: The figures that you have presented do not prove it either way, because, without looking—

Liam Byrne: Let me put it a different way.

James Cleverly: No, let me answer the question. Without seeing the specific lines in terms of that increase in trade, neither you nor I can tell just with the figures that you have put in front of the Committee or that you have presented to me now. The point that I am making is that the communiqué talks about the actions that we will be taking, and your question was based on what has happened in the past. You cannot say that a future intention is undermined by history. The future intention is defined by what has happened recently.

Q252 **Liam Byrne:** I will put the figures to one side then. In the last year, has our dependence on China in terms of critical supply chains gone up or down?

James Cleverly: I do not have those figures to hand.

Q253 **Liam Byrne:** Both Jake Sullivan and President Von der Leyen have set out very clear plans for reducing dependence on China for critical supply chains. Between them, they are investing \$1.5 trillion in making sure that there are a stronger European and US alternatives. What are we doing now to reduce our dependence on China for our critical supply chains? What is the plan?

James Cleverly: We have the critical minerals strategy, which I am sure you are aware of. I have had extensive conversations with both the US and our EU interlocutors, and others, to make sure that we are creating additional paths for things on which we rely. The point is that this is not a quick fix. It cannot be a quick fix. All countries, including countries in the EU, as well as the United States and others, trade extensively with China, and we are all going through a similar process, which is making sure that we give ourselves and other countries, just as importantly, other options.

This is what that G7 communiqué is focused upon. We have already started, but it is an ongoing piece of work. A lot of these relative dependencies have built up over some considerable length of time, and they are not going to be turned around overnight or turned around unilaterally.

Liam Byrne: They seem to be investing and we seem to be talking.

James Cleverly: Was that a question or a statement?

Liam Byrne: That was a conclusion.

James Cleverly: Was that a question or a statement?

Liam Byrne: That was not a question, unless you want to tell me that we are investing and we are not just talking.

James Cleverly: We are investing and we are not just talking.

Q254 **Liam Byrne:** How much are we investing?

James Cleverly: I do not have the figure to hand.

Liam Byrne: Maybe you can write to us.

James Cleverly: The point is that the US and the EU are doing things in a fundamentally different way. The Prime Minister has made it clear that we are always going to be an internationally focused trading nation. There are some challenges with focusing so heavily on a subsidies regime. Subsidies are less liked by markets, because they are less predictable than frameworks. We are working on our protections in a way that is allied to but not the same as our US or European partners. If it was as simple as throwing money at a problem, that is what everyone in the world would do, but that is not what everyone is doing.

Q255 **Bob Seely:** I am really aware that these are not just pure FCDO questions, so thank you for taking them. I just find all this a little bit woolly. You are talking about excessive dependency. What is “excessive”? The reality is that dependency on China, whichever way you want to cut the point, is rising. A really good place to start would have been an annual statement of trade dependency on every and all countries, because, right now, it is almost too little too late. If things get worse in the world, we are going to be in a position where it is increasingly difficult to do anything about it.

James Cleverly: I disagree with you. I disagree that spending the time and focusing on producing retrospective reports of that granularity will help us on what we have already decided to do. The quote that you gave was from a G7 communiqué. This is work that all of us are doing at the G7. We know the areas where we need to diversify, particularly in terms of critical minerals. We have a critical minerals strategy. We are working diplomatically—and other Government Departments will be doing their work—to create a future environment where we are less dependent, but there is not a quick fix. There is not a simple binary choice. There is not a switch that you can flick on and off. This is going to be something that we do multilaterally. This is something that we are going to be doing for many years to come. The situation as it is today has been built up over years, if not decades, and the changes will also take years to implement.

Q256 **Sir Chris Bryant:** As I am sure you are aware, the Chinese ambassador is banned from Parliament, but you are going to Beijing. How does that match?

James Cleverly: Sorry, I do not see how they are connected.

Q257 **Sir Chris Bryant:** He is the ambassador for China and he is banned from Parliament, by Parliament, which you agree with.

James Cleverly: Yes. Ultimately, it is the Speaker’s decision. The Speaker has made a decision on that and I completely respect that.

Q258 **Sir Chris Bryant:** And you agree with it.

James Cleverly: I respect that decision.

Q259 **Sir Chris Bryant:** Why do you think it is the right thing to do, if you

think it is the right thing, at the same time, to go to Beijing?

James Cleverly: I am not the Chinese ambassador. I am not going to our Parliament. You are comparing two different things. I am doing what Foreign Secretaries should do, which is engage internationally. There is a very good reason that Mr Speaker has banned the Chinese ambassador from Parliament. It is because the Chinese state has sanctioned parliamentarians—some people on this Committee and others. That is something that I am completely opposed to, and I have raised the UK's position and my own feelings on this in every single meeting and interaction that I have had with representatives of the Chinese Government.

I completely respect and agree with the Speaker's decision on that, because of China's action against British parliamentarians, but that is fundamentally different to my duty as the Foreign Secretary to make sure that I seek to influence, because that is my job, including seeking to influence the Chinese Government.

Q260 **Sir Chris Bryant:** Why do you not take Tom Tugendhat with you, for instance?

James Cleverly: Because he is sanctioned.

Q261 **Sir Chris Bryant:** China calls the tune, basically. With James Cleverly, China plays the tune and you dance.

James Cleverly: No, not at all. I really want to nail this down. The idea that a Foreign Secretary interacting with another Government is anything other than my duty and responsibility is nonsense. It is literally my job. It does not mean to say that I agree with them. Indeed, I have highlighted the sanctioning of British parliamentarians in every single interaction that I have had.

Q262 **Sir Chris Bryant:** Why not say that you want to take Tom Tugendhat with you?

James Cleverly: Because it is not my job to take other Ministers with me. My job is to change and influence the Chinese Government.

Q263 **Sir Chris Bryant:** You have never taken another Minister with you.

James Cleverly: No, I do not typically take Ministers with me on international meetings.

Q264 **Sir Chris Bryant:** You are just a Chinese stooge. You just do what they want.

James Cleverly: Do you want to give any evidence to that?

Sir Chris Bryant: Yes.

James Cleverly: Go on.

Sir Chris Bryant: I think I have presented it to you.

James Cleverly: I do not think you have.

Q265 **Sir Chris Bryant:** It is pretty straightforward. You have said that, because China has sanctioned some MPs, you would not be prepared to take them.

James Cleverly: I do not take Ministers on visits with me.

Q266 **Sir Chris Bryant:** I think you know how shoddy your answer is.

James Cleverly: I think that you have a nice headline that you wanted to deploy and you have no evidence to back it up. The fact is that it is the job of the Foreign Secretary to engage foreign Governments, including Governments that we disagree with. We do so to highlight the areas where we disagree, which I have done, whether it be on Xinjiang, Hong Kong or the sanctioning of our parliamentarians. I have raised this issue in every single meeting and conversation that I have had with representatives of the Chinese Government, and will continue to do so.

Unless you can give evidence to back up your assertion, I would politely request that you withdraw it because it is not just inaccurate; it is also quite discourteous.

Q267 **Neil Coyle:** If you want an example, Foreign Secretary, you had the chance when you came to the Select Committee previously to tell us what you would do about the actions of the Chinese representatives in Manchester. You chose to do nothing.

James Cleverly: No, that is not true.

Q268 **Neil Coyle:** What did you do?

James Cleverly: We made it very clear to the Chinese authorities that the behaviour of those officials was unacceptable, and those officials were withdrawn from the UK.

Q269 **Neil Coyle:** So you are telling us that it was because of your intervention that that official was recalled to China.

James Cleverly: I believe so, yes.

Q270 **Neil Coyle:** I do not think that is something that you have said previously. There was no point at which you thought that the police should have been involved, given the violence against some of the protestors. You did not think that it should be followed as a matter of criminal law here. You gave the Chinese the chance to take someone out of the country.

James Cleverly: The Vienna convention would mean that that course of action was never one that was available to us. The simple fact of the matter is that we made it absolutely clear that that behaviour was unacceptable, and, as I say, the Chinese officials were recalled by the Chinese Government.



Q271 **Chair:** Forgive me, but this Committee is not of the view that enough was done. They could have been declared persona non grata.

James Cleverly: They left.

Chair: Forgive me, Foreign Secretary, but that allowed China to say that they had—

Q272 **Graham Stringer:** It is a very weak thing to have a nice quiet word in the background: "It is a bit naughty, kicking somebody very severely in Manchester because they were demonstrating".

James Cleverly: The officials left the country.

Q273 **Graham Stringer:** Yes, but you did not expel them. You just had a nice quiet, cosy word.

James Cleverly: The officials left the country.

Chair: The problem is that they left the country, Foreign Secretary—

James Cleverly: What further meaningful action could have happened that did not happen?

Q274 **Graham Stringer:** The meaningful action is that you could have said publicly, "Your behaviour is unacceptable", and diplomatically expelled them from this country. That would have been the position with most embassy staff, I guess, if they had committed a violent act on the streets of London or Manchester, but, because it was China, you took a very weak, cosy position.

James Cleverly: The officials left the country.

Graham Stringer: They made that decision, not you.

Chair: Foreign Secretary, I am going to draw a line under this.

James Cleverly: You are desperately trying to paint this as bad news. The point is that no British officials were expelled from China in any kind of tit-for-tat response. The Chinese officials left the UK. I regard that as effective diplomacy.

Q275 **Chair:** Foreign Secretary, the position of this Committee is, however, that they should have been declared persona non grata—

James Cleverly: I disagree.

Q276 **Chair:** Forgive me, Foreign Secretary—because of the fact that China then spun it as they had finished their terms and were solely returning home to duty. That is the problem. If we cannot be strong at home, and if we cannot make the case that defence is not an escalation, we will be weaker on the world stage, because you cannot deter abroad if you are not strong at home. We are going to draw a line under this. The Committee has made clear that we are unified on this position. You have made clear that you are happy with the outcome.



James Cleverly: Madam Chairman, the Chinese officials involved in that incident left the country. None of our officials was expelled from China. I regard that as a diplomatic win.

Q277 **Chair:** Many of them overstayed the deadline you set them, and yet there were still no repercussions for them. That is what happened.

James Cleverly: Had we PNG-ed them, they would have had longer to stay in the UK than they stayed in the UK. They left the UK quicker than if we had PNG-d them. None of our officials was expelled from China. That was good diplomatic work and we handled it very well.

Chair: But the reality is that, as a whole, Parliament does not agree. We are going to leave it now.

James Cleverly: My actions are not always—

Chair: Foreign Secretary, we are going to move on. We are going to move to India, but this Committee would also like to put on record our heartfelt sympathies to all those in India following the appalling railway crash that happened a few weeks ago.

Q278 **Saqib Bhatti:** I echo those sentiments. Foreign Secretary, I just want to talk about our relationship with India. How is the free trade agreement progressing and what are the obstacles?

James Cleverly: We are still working on the free trade agreement with India. India is a large and complicated trading relationship. We have made better progress than many other countries have made with their trade relationship. It is not over the line yet, but we will continue working on it. We have, of course, taken advantage of a strong bilateral relationship in a number of other ways, but the free trade agreement is not there yet.

Q279 **Saqib Bhatti:** India's human rights record has been an issue of great focus, including Jammu and Kashmir. How has that affected the FTA negotiations?

James Cleverly: With free trade agreements, we do not typically put conditions on non-trade-related issues. I know that there have been calls in the past, not specifically with regard to India but with other countries, to do so. Internationally, free trade agreements generally focus exclusively on trade-related issues. We do bring up other areas, not just with India, of bilateral interest or bilateral concern with those countries.

Q280 **Saqib Bhatti:** If it is not through trade negotiations, have these issues been raised with India?

James Cleverly: Do you have specific issues in mind?

Q281 **Saqib Bhatti:** I have in mind its human rights record and what has been documented as going on in Jammu and Kashmir.

James Cleverly: We do raise human rights. I have raised, both in general terms and specifically, issues with our Indian interlocutors when we have met.

Chair: Just for clarification, the entire Committee is slipped, so we will not be breaking for the vote.

Q282 **Saqib Bhatti:** There has been great focus on India's continued relationship with Russia post the Ukraine war, with their large-scale purchases of coal and oil and how are they supporting the Russian economy. Has that affected the negotiations and our relationship?

James Cleverly: No, but I have raised those issues with my Indian interlocutors, and I know that other Ministers have also done so. We have made the case that Russia's actions in Ukraine and elsewhere around the world are completely unacceptable, and that we are not comfortable with that trading relationship. Ultimately, of course, we do not have a veto—and nor would we attempt to have veto—on other countries' trading relationships. I have made the point that Russia's behaviour in Ukraine and more widely casts a shadow over all relationships that Russia has around the world, and that is a conversation that I have had with my Indian interlocutors directly.

Q283 **Saqib Bhatti:** There has been a lot of talk about overreliance on China. You will agree that the UK and India both need to move away from that. Is any thought given to a supply chain resilience initiative like we have with the UK and Australia?

James Cleverly: In the conversations that I have had with India, it is very keen to have a wider network of trading relationships, including with the UK—that is one of the reasons why we have been discussing a free trade agreement—as well as other relationships. It is very interested particularly in green technology co-operation with the UK. This is an area that we, I have no doubt, will continue to explore. Again, India is the kind of scale of economy with the kind of energy and economic growth that would provide a good counterbalance, although not the only one, to some of the concerns that have been raised by other members of the Committee.

Q284 **Neil Coyle:** Is the action of other Government Departments one of the obstacles to clearing the line to a free trade agreement with India?

James Cleverly: India is a large and complicated economy. Its regional governments mean that there are lots of voices around the negotiating table on the Indian side of things, and that adds complexity to it. It is a big prize and, inevitably, therefore, takes time. All trade negotiations are complicated. The bigger and more diverse the trade relationships, the more complicated they are.

Q285 **Neil Coyle:** Have the actions of other Government Departments caused concern and issues to be raised by the Indian Government or High Commission here, in particular in terms of education access and visas?



James Cleverly: Visas are a constant refrain from every country in the world. Every country in the world would like a more liberal visa relationship with the UK. Unsurprisingly, having businesspeople, tourists and students come to the UK is a prize for every country around the world. That is a topic of conversation in most of my international conversations and is certainly not unique to India.

Q286 **Neil Coyle:** Has rescinding rights to work for students coming to the UK and paying international fees to British businesses and universities been raised as a specific concern by the Indian Government and High Commission?

James Cleverly: The Indian Government have regularly asked for more visa access and a more open visa regime. That is not unique to India, but they have raised it. We have had some good work on getting more students from India into the scholarship programme that I announced when I went to India, and of having very high-calibre tech leaders of the future from India in the UK, as well as Brits in India. I know that the Indians are very keen to keep exploring ways of making sure that we benefit from the top talent in our respective countries. Visas and student numbers are regular points of discussion, not just with India but with many countries around the world.

Q287 **Henry Smith:** Foreign Secretary, is it the Government's position to support Canada, New Zealand and Japan joining the AUKUS strand B agreement?

James Cleverly: This is an area that sits across both defence and diplomatic areas. I know that there is a huge amount of interest in AUKUS from those countries. They are all slightly different—for example, Canada is not aspiring to have a nuclear propulsion submarine fleet, and the New Zealand position on all issues nuclear is different to ours—but they are very interested more generally in making sure that we do technology sharing.

I am glad that you raised this as a point, because a lot of people think purely about the propulsion systems for the submarines. There will inevitably be a whole load of other benefits, some of which have just not even been slightly predicted yet, which will spill over from AUKUS. That is why it is such an exciting programme, and one that is multi decades in its execution and, through its lifespan, will have a whole load of other technology benefits, both nuclear and non-nuclear, which our partners internationally will want to share with us.

Q288 **Henry Smith:** Further to that, is it the intention of the UK Government to apply to join the Quad?

James Cleverly: This is one of the areas that we discussed in the AUKMIN meeting. We have not finalised that. A lot of the relationships that we are building with the region are strong enough and robust enough that it might mean that there is not a great deal of additional value. I am not saying no but we would need to assess it. All these things



are time commitments in already congested diaries. We have very strong relationships already and are building on them, so it might make that obsolete and we have not made a final decision on that. It would also not be just down to us anyway.

Q289 Henry Smith: What is the Government's stance on the Regional Comprehensive Economic Partnership and the Indo-Pacific Economic Framework for Prosperity?

James Cleverly: We have a number of projects, including CPTPP, that we have to get operationalised. As we get things like ASEAN, CPTPP and AUKUS up and running and operationalised, it is inevitable that we will look at other regional groupings. I do not want to set too many hares running, because it is not just down to us. We do not get to just say, "I want to be part of that," and then we turn up. This will be in negotiation with partners.

The signal that we send to the region, and particularly to like-minded partners in the region, is our commitment to values and to high principles and standards. This is very much what we bring to the party. We are naturally attracted to multilateral organisations and groupings that reinforce that, but I do not want to start saying, "Yes, yes, yes and yes", while we still have a number of projects that we are operationalising at the moment.

Q290 Bob Seely: On the AUKUS element, it strikes me that the non-nuclear sub pillar of AUKUS has potentially greater long-term value in the sense of broadening out to include more specific allies such as Japan and Korea, et cetera. Is that a valid argument?

James Cleverly: There is so much positive potential in this. I do not think that I am going to say this very often, but I am glad that there is this line of questioning from the Committee, because it does give me the chance to say that this is about more than just nuclear-powered submarines. There are technologies that inevitably will be derived from this, which will ultimately not have applications within the nuclear-powered, conventionally armed submarine programme. In civilian applications and others, it will drive a generation of new skills in all three countries and probably in others.

It is a really exciting programme. When people think of it, they think, "Subs, subs, subs, subs". That is an important part of it, but there is so much more to this, and it will, I have no doubt, have a whole load of positive ripple effects and non-defence-related benefits as well.

Q291 Bob Seely: What role does co-operation with Taiwan play in the UK's Indo-Pacific strategy? To what extent is there a trade-off between a closer relationship with Taiwan and damaging our relationship with China?

James Cleverly: Our position on Taiwan is longstanding and boringly predictable. It has not changed. We have a relationship with Taiwan. We have a strong trading relationship with Taiwan. Our relationship with

China is always going to have, as a foundation stone, our values and principles, which goes to the point that I was making to others.

Although I do not think that it is sensible to have rows and disagreements just for the sake of having rows and disagreements, where there are areas where we feel strongly and we disagree strongly with China, we are very comfortable airing those disagreements, and doing so directly, which is why we engage, which is why Chinese officials groups have come to the UK, and that is why Foreign Ministers of all countries also go to China.

Q292 Bob Seely: You say that you enjoy answering some of these more strategic questions. With the Atlantic declaration that has been signed last week and with AUKUS and the potential widening of the AI and the tech elements of it, are we are beginning to see, effectively, a split in the world in terms of AI, big data and high tech between China and maybe its allies like Russia, and a free world? Is there beginning to be a cleavage between the two?

James Cleverly: I certainly do not think that a cleavage is inevitable. The benefits of AI are huge. We have discussed the implications that might have on trawling the vast quantities of historic medical data, for example, which AI might be very good at doing, but there are definitely risks that need to be mitigated. Those risks are not exclusively risks that the UK, the US or other countries like ours would bear.

If it goes wrong and is poorly governed or ungoverned, those risks will manifest themselves in China, in Russia and in other countries. I genuinely believe that it is in all of our global interests to get this right. This is moving quickly, so we have to get our skates on, which is why I am very proud of the fact that the UK is hosting the first AI governance summit.

This is something that we discuss with the US pretty regularly, and I am very pleased that they are engaged with this, as, indeed, many other partners around the world are. This is in everybody's interests to get right.