



Committees on Arms Export Controls

Oral evidence: Scrutiny of Arms Exports (2014),
HC 695

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Written evidence from witnesses:

- **Roy Isbister**, Team Leader, Small Arms and Transfer Controls, Saferworld, **Oliver Sprague**, Programme Director, Military Security and Police, Amnesty International UK, and **Martin Butcher**, Policy Adviser, Arms Campaign, Oxfam GB
- **Mr David Hayes**, Chairman of Export Group for Aerospace and Defence (EGAD), **Mrs Susan Griffiths**, Head of Export Control UK, MBDA UK Ltd, **Ms Bernadette Peers**, Compliance Manager, Strategic Shipping Company Ltd, and **Mr Michael J.V. Bell**, Export Controls Consultant

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Members present: Sir John Stanley (Chair); Sir Malcolm Bruce; Richard Burden; Katy Clark; Ann Clwyd; Mike Gapes; Ann McKechin; Sir Bob Russell; Bob Stewart; Chris White

Questions 1-47

Witnesses: **Roy Isbister**, Team Leader, Small Arms and Transfer Controls, Saferworld, **Oliver Sprague**, Programme Director, Military Security and Police, Amnesty International UK, and **Martin Butcher**, Policy Adviser, Arms Campaign, Oxfam GB, gave evidence.

Q1 Chair: Good afternoon, UK Working Group representatives. Welcome to you once again, Mr Isbister, Mr Sprague and Mr Butcher.

I am going to start with the Arms Trade Treaty. I put this question to you—it is in part quite a technical question, and, if you would find it helpful to come back and give a more detailed answer than you might be able to give off the cuff here, that would of course be entirely acceptable and welcome to the Committee. You will have seen that one of the questions that we put to the Government in our latest report was to ask what changes in primary legislation, secondary legislation and, indeed, in policy the Government would have to make to ensure that they were fully compliant with the terms of the Arms Trade Treaty, which of course they have signed and are now in the process of ratifying. You will have seen the Government's response to that question in their White Paper reply to our Committee: their answer, in brief,

is that they consider that no changes in primary legislation are required, that a very limited change in secondary legislation is required with regard to the ambit of the controls on arms brokering, and that no changes in policy are required. The question that I have for you is whether you consider that that is a correct response by the Government: that only one limited change is required in legislation and no change in policy to ensure full compliance by the British Government with the terms of the Arms Trade Treaty.

Martin Butcher: We understand that, in addition to the changes on brokering, the Government are taking this opportunity to revise the consolidated criteria, in order to be fully in line with the EU common position and the Arms Trade Treaty. We have not as yet had detailed discussions with the Foreign Office about that. So there is an additional change. We welcome the changes in the controls on brokering.

Olly, do you want to add something?

Oliver Sprague: We have yet to see the secondary legislation that is coming in, but our understanding is that they will be amending category B of the current brokering controls in order to be more in line with the ATT scope. That, for us, is a welcome step forward because it actually means that a greater number of category C goods will be moved to category B and will then be subject to full extraterritorial controls as well as those on transport and shipping. As I said, however, we have not yet seen the extent of those orders; this is only what we imagine to be the case from what we have been told.

There is another secondary benefit, which may not necessarily come forward in legislation but which I think would be helpful in terms of policy. It relates to issues of enforcement—not only trafficking and brokering controls, but arguably in tackling the brass-plate phenomenon, in that an operative provision in the implementation section of the ATT requires all Governments that are signatories to offer full co-operation in terms of legal and investigative help.

It has been a problem in the past—we have heard the argument before—that it has been difficult to prosecute or to enforce some of these controls because they involve overseas investigations, and it is difficult to get information. The ATT therefore has a built-in tool that will allow you to do that, because all signatory states will be required to co-operate in those matters. I can see a future benefit to the ATT in terms of the enforcement policy of UK controls in that respect.

Roy Isbister: In terms of primary legislation, I should have thought that probably no change has to be made, but there are two elements within the criteria section of the ATT that are slightly interesting when compared with UK and EU controls, and those relate to gender-based violence and transnational organised crime. It is arguable, but I think that there could be some revision of language to reflect more accurately what the Arms Trade Treaty says on those issues, but there is still a bit of a conversation going on, certainly at the EU level, on whether or not it should be changed.

Chair: Thank you. We come now to the DESi arms exhibition.

Q2 Ann McKechin: There is another DESi exhibition this year and another set of problems. We have had another example this year of companies being found to be promoting banned goods at the exhibition. As you will be aware, there have been calls to close the exhibition in

its entirety. What do you think is the right balance to be struck in order to ensure that trade can exhibit legitimately while conforming to legislation on the promotion of banned goods?

Oliver Sprague: I would state here that the policy of Amnesty is one that is not opposed to a regulated arms trade. We do not take a position on whether an arms exhibition should be banned, but I would say that there is a long-standing track record of failure to comply and of companies promoting illegal or banned goods. In this case, it would be two companies, a French company and a Chinese company, prominently displaying such goods in product brochures. It was not something that was hidden from view; it should have been quite easy to spot. There are questions about whether the fair is able to operate within the law. Certainly, I would say, yet again, that the enforcement of the controls has not been good enough. I think that serious questions need to be asked about how the fair is run in future.

We have put forward recommendations, but one of the things that should be pretty essential at the moment is that all product brochures should be screened in advance. A person whose responsibility is enforcement should be responsible for looking at all the promotional and display materials before they go live in the fair. I also think that this Committee should examine the memorandum of understanding between the company that hosts DESi and the Government. We have tended to see both camps—the company organising the fair and the Government—almost blaming each other or pointing to each other's policies as a way of showing how they are enforcing at the fair; but yet again, as at every exhibition since 2005, we have seen problems.

Q3 Ann McKechin: Do either of the other two witnesses want to add to that, or do you concur?

Roy Isbister: I agree with what Olly says, but one other issue that came up this year—a more fundamental issue in a way—is the way in which the fair brings certain buyers and certain sellers together. This year, there were eight or nine countries on the Foreign Office's human rights report list of the most problematic countries on human rights grounds that had delegations at the fair. They are potential buyers, and you are bringing them together with, for example, the chief Russian marketing organisation, at the same time as Russia is the main supplier to the Syrian regime, so it is operating in direct opposition to what the UK has described as its foreign policy goals. Bringing those two people together and creating a space for them to talk to each other about arms sales—I have a problem with that.

Q4 Ann McKechin: There is obviously an issue about sufficient punishment, but your suggestion, Oliver, is that there should be an enforced screening of all material before the exhibition starts. I presume that you are referring to this being a role for the Government to play rather than the organisers.

Oliver Sprague: Yes. Another point—this would cut across licensing but it is specifically relevant to DESi—is that, within normal licensing, a country's adherence to the relevant non-proliferation standards is central to whether they should be permitted destinations for certain licences. They take, for example, whether you are signed up to the Australia Group, whether you have signed up for the non-proliferation treaty regime and so on. There is a clear case for adding the Arms Trade Treaty to the list of relevant proliferation

standards that Governments have to sign to make them eligible for certain more permissive licences. I think that non-signatory countries should not have the automatic right to display through an open licence.

Ann McKechin: One of the companies—it was stated to be a French company—would be covered, would be allowed in, but there is still the same problem about what they are trying to market. Thank you.

Chair: I want to turn now to the all-important issue of Syria.

Q5 Mike Gapes: You are well aware that the Government were instrumental, along with France, in getting the lifting of the European Union arms embargo on Syria towards the end of last year and the early part of this year. Subsequently, however, it was decided, I think rightly, not to pursue the policy of supplying weapons into the Syrian civil war.

In your submission to us, you say that the supply of arms to any of the warring parties would be hard to justify under existing UK and EU legislation. Can you clarify whether that is subsequent to the lifting of the arms embargo? Even with the lifting of the arms embargo, it would be difficult to justify. If the UK Government were to supply lethal weaponry into the Syrian conflict to some element within the Syrian opposition, would that in your opinion be in line with abiding by the EU common position and the UK consolidated criteria, specifically 3 and 4?

Martin Butcher: While the process was ongoing for the lifting of the embargo, we were quite disappointed that the Government, at the same time as they were working hard to agree the Arms Trade Treaty and establish that global norm, were pushing to have the embargo on Syria lifted. We worked with some barristers to develop a legal opinion, which is reflected in the memorandum on Syria that we supplied to the Committee.

Yes, even after the embargo was lifted, the conclusion that we came to after going through the consolidated criteria point by point is that it is extremely hard to see how all of the hurdles set out in those criteria could be overcome to supply arms to any party in the conflict. There is the obvious risk of the diversion of arms. Even the groups that recognise the authority of General Idris and his supreme command work on the ground closely with a wide spread of other groups that do not—and on occasion even groups that are part of al-Qaeda. There are clear human rights concerns across a spread of opposition groups, although the Government are preponderant as a problem in that area.

There are other concerns and, yes, we have taken the position that, although we cannot say it is absolutely impossible to leap all those hurdles, in sum it is very difficult.

Q6 Mike Gapes: Given that there are 1,200 opposition groups apparently operating in Syria, it might be rather difficult to be clear about which ones were, if you like, reliable and which were not.

Martin Butcher: Absolutely, and the membership of the different brigades changes all the time. They are interchangeable, and the alliances that they form vary city by city. It is a very confused situation, and it shifts on a daily basis.

Q7 Mike Gapes: I now move on to the wider question that relates to something on which we have been in correspondence with the Government—in fact, the Chair has been in extensive correspondence with the Secretary of State for Business—which is the decision taken in January 2012, when the civil war was intensifying, to issue two licences for chemicals that are precursors for the production of sarin to a country that was known, but was not at the time admitting, to be a holder of chemical weapon stockpiles. The country was not at the time a signatory of the Chemical Weapons Convention and therefore not subject to the rules of the Organisation for the Prohibition of Chemical Weapons. Do you have any comment to make on that? Do you have any view on whether a proper risk assessment was carried out?

Oliver Sprague: Of course, we are aware of the correspondence that we are currently having with BIS on this issue. It is also worth stating that, as you are probably aware, although the chemicals in question might be precursors for chemical agents, they are also fairly standard chemicals that have a wide variety of industrial uses. The reason why they are on a control list is that they fall within the Australia Group's list of proscribed chemicals. What that should have done is trigger a detailed and thorough risk assessment. Being a member of the Australia Group, there is a whole set of additional export control factors that you are supposed to apply in these cases. A lot of that is intelligence led, but basically you have to check the end use; given the nature of these chemicals, you have to be pretty sure that they are going to the right place.

Given the sensitivities of this case, for obvious reasons the onus is now on the Government to show their workings in this area. For example, I would want to see how they applied those criteria and what risk assessments they made—and in some detail. We would want to know what the companies were, who the end users were, what the quantities were, how sure they were that they were for use in health care, toothpaste, aluminium window-frame manufacture and so on. It is not good enough, in this particular incidence, to say that we applied the criteria and we are sure that nothing went wrong. You have to see that those criteria were applied and that nothing untoward went wrong.

Chair: We are going to turn now to the Arab Spring, and the Government's arms export policy review, which took place after the Arab Spring commenced.

Q8 Richard Burden: When we questioned the Foreign Secretary about the policy review, we asked him what had changed. His response—I paraphrase—was basically, “Well, the controls are much the same, but we are implementing them in a much more robust fashion.” In your evidence to this inquiry, you say that there has been little change in practice and that the tendency of the Government is to react to events after they have happened, rather than to look ahead and evaluate risks. You are also concerned that undertakings to improve transparency in strategic exports have been abandoned. We are going to come on to transparency a little later, but on the first of those issues, how has the review been operating in practice? Has much changed?

Roy Isbister: We do not get to see inside the licensing process, so we start from the position of there being an element of ignorance. All that we can go on is the figures of what has been exported.

Looking at the MENA region as a whole, there is little indication that there has been a change in the pattern of exports. I have some figures showing, for example, that licences to the MENA region as a proportion of total licences issued increased from 9.5% in 2008 to 30% in 2012, and that, by value, arms licences—SIELS—to the Middle East were over 50% of total arms exports in 2012. That first cut opens up some questions.

Using Egypt as an example, and drawing on the work of the Committee and the information that it revealed in its report earlier this year, we struggle to understand how that policy is working in Egypt. If you were going to argue in 2011 that you could not see it—that is, what happened—coming, we could argue about whether it was a valid argument, but it is very difficult to make that argument in 2013. We were certainly arguing for a tight policy on exports to countries such as Egypt. When the level of civil disturbance lifted again, we saw the Government start by revoking five licences. More than a month later, and only after an EU Council conclusion, the Government suspended 48—it turned out to be 47—more licences. It is a slow way of operating. Again, we are not sure why those licences were issued in the first place.

There have been a couple of other issues around that, so we have been trying to find out. It would be helpful in cases like this, if the Government think that there is a big enough change to provoke this response, if they not only gave the number of licences being refused, suspended or revoked, but said what is still licensed for transfer to Egypt. We understand that nothing was being licensed to the army, the air force or the Ministry of the Interior, but quite a number of open licences were never suspended. Open licences do not name the permitted end user, so how did the Government know that this equipment was not going to those end users?

We see now that some of those suspended licences—around half of them—have been opened up again. What has changed in Egypt to give the Government the extra confidence that this is appropriate? Looking at Egypt as an example, there are a lot of unanswered questions, and we would like much more detail about how the Government are operating their export policy.

Q9 Richard Burden: Do you think that the Government have their priorities right?

Roy Isbister: Would you elaborate slightly?

Richard Burden: In your submission, you indicated that, in view of their record, to which you alluded, the Government may be sending the wrong signals about priorities. Would you elaborate a little? What do you think those signals are, and what would be the right signals?

Roy Isbister: This links into the notion of joined-up Government. There are a number of areas where the Government state with some vigour that they apply one of the tightest export licensing regimes in the world and that they apply the criteria very tightly. At the same time, these Committees have drawn attention to the apparent disconnect between the Foreign Office's human rights report and the licensing policy.

The UKTI's priority countries for arms exports include six or seven countries in the MENA region, including Libya, which is perhaps the most obvious example. In a number

of areas, it feels that the signals coming from some parts of Government are very different from the signals that we receive—the rhetorical statements about the application of licensing policy here. Again, at DESi we had the highest levels of Government making a strong case for defence exports being such a crucial component of the UK economy, saying that a high level of exports was important and necessary for the UK to be seen as being on the leader board. There are certainly questions to be asked about priorities.

Chair: We continue with the middle east and arms export policy.

Q10 Ann Clwyd: I, too, want to ask about the export of components for chemical weapons. In July 2011, DFID, the FCO and the MOD published “Building Stability Overseas Strategy”. In it, the Foreign Secretary stated that the strategy was “built on the insight that stability can only be achieved when a society has the strong and legitimate institutions it needs to manage tensions peacefully.” Do you think that the present arms export policy coincides with that statement? Obviously not.

Roy Isbister: Again, that is part of the whole joined-up Government side of things. If there is a real commitment to that approach to building stability overseas, it should be reflected in export licensing policy. To come back to the earlier point, and looking across our export licensing policy to the MENA region, where there are clear issues of stability and governance, that does not fit perfectly together.

Martin Butcher: On Libya in particular, which is a priority country for export, we have a situation where the militia linked to one part of the Government recently kidnapped the Prime Minister. The Government cannot assure security even for high officials in its own capital. Militias linked to the Government in the eastern part of the country are refusing to recognise the authority of the Government in the west. An ongoing situation that has lasted since the overthrow of Gaddafi, with Libya as a prominent source of black-market arms across the Sahel, is contributing to the problems in Mali. It rather seems that a number of measures would be needed to assist in building up the governance of Libya, and they need to be carried out before thinking about it being a priority market for arms.

Oliver Sprague: It is also certainly the case that if you apply the policy and logic behind “Building Stability Overseas Strategy”, especially the focus on building institutions’ capacity and governance reforms, that in itself means that you need a system to develop that has proper control over the army and security services. If you applied that logic back to before the Arab Spring crisis, many UK export licences to some of those countries would not have gone ahead. We have talked about Egypt, but if you apply those lessons—the need to ensure that you have proper accountability over the way that the security forces operate, over their command and control structures, and how they investigate breaches and hold people to account—they fail on all of those counts.

Only yesterday, the same day that President Morsi was on trial, the Government announced that they were overruling another 23 or 24 suspensions for Egypt. As far as Amnesty is aware, none of the perpetrators of the unlawful killings, the civil unrest, the response to that civil unrest or the brutal crackdowns that took place over the summer, especially in recent weeks—none of the perpetrators—has been held to account or even started to be investigated. It seems entirely the wrong signal to start revoking suspensions and putting arms export licences back into operation before those things have happened.

Q11 Ann Clwyd: May I ask a quick question about the export of components for chemical weapons? After the Iraq war, some firms were found to have illegally sold components in this country, but there have been very few prosecutions here compared, for example, with Germany. Do you think that it would sharpen people's minds if there were more prosecutions in the UK?

Roy Isbister: Is that the first Iraq war or the second?

Ann Clwyd: The first and the second.

Roy Isbister: We have argued as a group for a number of years that a more robust approach needs to be taken to enforcement. To be fair to the Government, we have seen prosecutions—not for chemical weapons, that I am aware of, but certainly for the illegal export or brokering of conventional arms. That represents a positive shift over the previous approach of disruption, for the obvious example that it sets. Things are better than they used to be, but that is not to say that they could not be better.

Chair: Following their Arab Spring policy review, the Government set great store by the introduction of their new export licence suspension mechanism. As you know, the Committee has questioned the adequacy of that. May we now turn to that issue?

Q12 Chris White: With reference to the situation in Mali in 2012 and other similar experiences, why do you think the strategic export licence suspension mechanism has been ineffective? Perhaps more importantly, how do you think it could be improved?

Oliver Sprague: As the UK Working Group, we have serious concerns about how the licence suspension mechanism is going to work. When we had initial discussions about it, it was meant to be an early warning system. It was meant to put an immediate freeze on deteriorating situations where it was impossible to ascertain proper risk assessment in licensing. It was supposed to be very much an early warning mechanism. It was not used in Mali, and it was used in Egypt only when, as far as we were concerned, it had already reached crisis point. It was not an early warning mechanism at all. It was imposed after the situation had already deteriorated to a pretty serious extent.

I guess that that is not the only concern that we have with it. We question the logic of applying suspension only to pending licence applications. We think that that is a fundamental flaw. If you are going to suspend licensing, you should be suspending arms transfers, not just licensing. If there are pending shipments or extant licences, then you must have the ability to suspend those as well. To focus only on licence applications makes it entirely possible that a shipment to an end user who is already licensed will go ahead, even though a pending licence application to the same end user is subject to suspension.

Roy Isbister: May I build on that? The only case that we are aware of where the suspension mechanism has been applied is Egypt. In that case, it seems that it has been applied to extant licences, which is not how it was explained to us; it also took a long time. As I said, five licences were revoked on 19 July, but the actual suspensions did not take place until 28 August. That is a pretty slow early warning mechanism.

It has been quite confused since then. It was applied in a way that seems different from the message that we were given. There is also the change that Olly mentioned, with approximately 24 licences being unsuspended in the last couple of days. If you look at the notice to exporters, it says that the suspension mechanism has been modified. I shall quote from it, if I may. It states that we have “agreed to modify the way the suspension is applied. In future we will not adopt a blanket approach to the Egyptian organisations listed in paragraph (1) but consider each extant licence and new licence application on its merits.” As far as I can see, that is a standard licensing policy. I do not understand how it is a suspension mechanism, but apparently the mechanism has been modified, not stopped. I do not understand how the Government are operating.

Q13 Chris White: Just to clarify, do you think that this is a timing problem, or do you think that, in terms of a mechanism being triggered, the bar is being set too high?

Roy Isbister: It is probably both, as far as we can see. As I said, it feels confused as to how it is supposed to be applied and when.

Q14 Chris White: What is your advice as to how it could be improved?

Oliver Sprague: Use it as it was intended, which is as an early warning mechanism. It was needed because it was argued that to revoke licences was quite a problematic process—that you had to cancel a licence and then go through the entire process of reapplying for the licence even if the decision to cancel it was, in hindsight, slightly ill-judged.

The idea of a suspension mechanism, where you would put a temporary freeze on something while a situation was developing and unfolding, and answers were being sought, seems to be inherently sensible, so our advice would be to use it as it was originally intended: to lower the threshold for it being used; to use it when situations are deteriorating, and information about the conduct of the security forces is questionable or unknown; and to apply it to all of the transfer process. Apply it not only to pending licence applications but to extant licences and pending deliveries.

Q15 Chair: Would you agree that the fundamental frailty of resting policy on a suspension mechanism is that, once the goods have been shipped, the UK Government have effectively lost any control over them? I use the phrase “once the bullets have bolted, that is the end of the story”. Does not that indicate that the really crucial decision, as has been highlighted by the Committee in successive reports, is the original decision as to whether you export a particular group of goods to a particular country or not?

Roy Isbister: Absolutely. As I have said before, and using Egypt as an example, the first question is why so many licences have been issued over the last couple of years, when the situation was so bad in 2011. You could ask any number of experts and they would all advise extreme caution.

Martin Butcher: May I just add quickly to that? Mali has been mentioned, which is a good example. There is a rising number of credible reports, although still at a fairly low level, of the Malian army, as it moves north, behaving in a fairly bad way towards Tuareg herders

and some of the nomadic communities in the north of Mali, and people are now fleeing to Mauritania, for example. At the moment, it is still at a fairly low level, it would seem. Without looking it up, I do not know what, if any, extant licences there are from this country for Mali, but a political signal could be sent at this point to the Malian Government to get their soldiers under control by suspending licences now, while things are still at a fairly low level.

Chair: I want to move on now to goods that can be used for internal repression.

Q16 Chris White: You state that you believe that there are additional items that could be used for internal repression which should also be incorporated into UK and EU lists. You have been critical of the Government's actions with regard to restrictive measures for equipment that could be used for internal repression. In this instance, where do you think the Government have gone wrong—and, again, what do you think they could do better?

Oliver Sprague: There are a number of issues that we should touch upon here. The first thing to say is that the idea of an enhanced list of goods that could be used for internal repression being subject to export control is a good one and one that we support. There is a conversation to be had with the Government about what that range of equipment is.

One of the issues that we have—you might want to ask the defence industry representatives about this as well—is that many of the items that the UK has on its additional list of goods that could be used for internal repression do not currently appear on any export control list. It is full of examples, and I shall quote from it. They include: “Fire-arms, ammunition and related accessories...not controlled by the Common Military List”, “Explosive substances and related equipment...not controlled by the Common Military List”, and “military knives and combat knives with blade lengths in excess of 10 cm”. At the moment, as far as I can tell, none of those items currently appears on any export control list, so how are the Government outreaching to companies that might be making and exporting those goods, as they would never have fallen within the licensing system in the first place? Do companies that are making military combat knives or knives with a blade in excess of 10 cm now know that those products are subject to control in certain circumstances? I don't know.

Q17 Chris White: Are you suggesting that there is a problem of awareness?

Oliver Sprague: I would want to know how companies have been made aware of these new restrictions, because they would never have been subject to licensing requirements in the first place.

The other point is that there are some notable exclusions from that list, things that groups like Amnesty would like to see included. A whole variety of policing equipment—handcuffs and restraints, specialist batons and police whips—seems to be missing from the list and should be included. When Governments start identifying targets for state repression, the first thing that they look to is surveillance technology, image processing and phone surveillance, stuff that is used to intercept e-mails, face-recognition software—all those kinds of equipment, which are the first sign that a Government wish to crack

down on their own civilians, are missing from the list. There is a conversation to be had there about making sure that that equipment, too, is captured.

The idea of having an expanded list of goods that could be used for internal repression is a good one. It is not something that we are opposed to.

Chair: The Government, as you know, have made a great deal of what they term their transparency initiative in this area, and we have some questions on that.

Q18 Ann Clwyd: Given the reduced amount of information that will be available about open licences, and the fact that the Government are now going to publish it annually instead of quarterly, and obviously with greatly reduced content in that information, how valuable is this going to be?

Roy Isbister: We need to be very clear in the first instance that there is not going to be a reduction in transparency but that the improvements that were promised in transparency are not going to happen. We are very disappointed by the outcome of this whole process and by the way that the process has been managed. When the Government announced their intention, they held a formal public consultation process. Approximately 100 industry representatives responded to that consultation, and to a large extent they announced themselves content with what was proposed, saying that it was manageable and so on.

That was in July last year. As recently as May, it was announced that this was still planned but that, because of teething issues and IT issues, there was to be a three-month delay. We met the Government on 11 July and were told that everything was fine and still going ahead. There was a hint on 18 July that not all was well, when the Secretary of State for Business, Innovation and Skills said that we are looking at the quarterly versus annual reporting issue, but then we were hit with the bombshell on 31 July that all bets were off. We do not understand how this happened. A follow-up freedom of information request was tabled by Action on Armed Violence, which asked an exploratory question about what further contact there had been with industry on this subject, and the answer was that the records had been searched and that there was no record of correspondence or e-mails on this.

What has happened? Why has the change been announced? We are told in one of the notices to exporters that there had been some indications from industry that this was more burdensome than they had wanted, but what was the process by which this happened? A transparent process was producing a significant improvement in transparency, but the process disappeared behind closed doors and, all of a sudden, the transparency of the outcome has disappeared. We would like to know why.

It is also worth mentioning that the information that would be entering the public domain is basic to standard inventory control, so it is not that industry would not have this information. It is required to make it available to the Government in the event of an audit, so it is hard to understand where things have gone wrong. We would welcome an explanation.

Chair: We now want to turn to some quite extraordinary and surprising information that we have been highlighting in relation to the particular scale of export licence shipments granted to private security companies, supposedly for anti-piracy.

Q19 Mike Gapes: Can we look at the overall situation? We have statistics on the export of various things, including 24,000 assault rifles, 2,700 combat shotguns, 9,000 rifles, 1,000 sniper rifles and 3,000 sporting guns, which have been exported supposedly under the heading of anti-piracy. That includes the export of assault rifles to Sri Lanka. Given the concerns that we have about human rights situations in a number of the countries on the list—another is Maldives, where there has been a coup, which has been contested and the situation has been difficult since then—is it possible that these numbers conceal the fact that some of the weapons might have been diverted to purposes other than anti-piracy?

Oliver Sprague: It is worth stating here that it is not just the SIELs that you need to be looking at; there is also an open general export licence for the supply of ML1 and ML2 for anti-piracy operations. I am unaware of the reporting requirements for OGELs, but I imagine that the figures do not appear in any of the annual reports. The last time I looked, over 85 UK private military security companies had registered to use the open general licence.

As a general rule, we would be opposed to the idea that you could have an open general licence to allow the transfer of assault rifles and combat shotguns for private military security companies operating overseas. It seems to be a very lax licensing regime for those sorts of activities, not least because we have long-standing concerns about the conduct of private military security companies operating overseas stemming from real concerns about accountability and oversight. We have seen from numerous examples, not just relating to anti-piracy, that there is an accountability gap. When things go wrong, what legal recourse is available to ensure that the perpetrators of atrocities are held to account?

You have a situation in the UK where you have a proliferation of over 80 companies working in the realms of private security provision overseas. What happens if there is an incident in international territorial waters? Who is going to be responsible for the outcome? What level of human rights training, combat training, do these individuals have? It seems to us that the only eligibility requirement at the moment for these licences is that you need to be signed up to the international voluntary code of conduct on private military companies.

We have long argued that a voluntary regulatory approach to something as serious as the provision of private and military security companies is wholly inadequate and that we need a legal framework and a licensing system. In general terms, we are concerned about the proliferation of the huge number of small arms and light weapons and their related ammunition for private military companies engaged in anti-piracy. That is not to say that we do not acknowledge that piracy is a big problem, but we have long-standing concerns about the conduct and accountability of private military companies.

Q20 Sir Malcolm Bruce: To follow that up, if you look at the countries, what we would expect is a bit variable. Do you have any idea to whom these are being supplied? I know that it is a small place, but 12 rifles for the Seychelles, which is very much in the area, does not seem very much if they are engaged in it. Who is buying them?

As you have said, given that we are trying to restrict small arms distribution, is there not a danger that the genuine concern about piracy, and the alarms and incidents that have happened, could nevertheless be a kind of cover for saying, “Let’s get some more weapons out there”? What information do you have to suggest that the way that these have been licensed and to whom they are being licensed is being properly tracked?

Oliver Sprague: I go back to talking about the risks of the system. At the moment, we have no specific evidence of large-scale diversions taking place or of weapons being secured in unsafe facilities. The point is that we are supposed to have some of the strictest and most robust controls possible for the export of small arms and light weapons overseas, but it seems that, for anti-piracy, those rules are thrown out of the window. It seems to us that, as long as you say that it is for anti-piracy, you are going to be given a licence. The requirement on you to prove that you are going to use them responsibly is that you adhere to some notional voluntary code of conduct, but who scrutinises the application of that code of conduct? We don’t believe that a voluntary code of conduct is sufficient to regulate private military companies, and we certainly do not think that light-touch licences should be allowed so easily.

Roy Isbister: To add to that, we do not know where they are going, but that links back to the transparency review and Olly’s point on the open general licence. We have no knowledge, and as far as I can tell the Government do not collect information about it, on the scale of small arms exports for anti-piracy operations that take place under the open general licence. That is what the transparency review originally said would be the case—that we would be told at least what the quantities and the nature of the equipment exported under open general licence would be, but we do not have any information on that.

Q21 Sir Malcolm Bruce: Something in excess of 40,000 guns have been licensed, and we do not know where they are going or who is using them. You are saying that we should do something about it.

Roy Isbister: That is 40,000 under the standard licence. We do not know how many have gone under the open general licence.

Oliver Sprague: It is certainly the case that the current reporting requirements on the open general anti-piracy licence fall well below the international standards to which the UK Government subscribe. The international marking and tracing regime for small arms and light weapons, of which the UK was a big supporter, has a requirement to keep records for 20 years. The ATT says that records for small arms exports must be kept for a mandatory 10 years. The reporting requirement on the OGEL is that companies are required to keep records for only four years, which is five times less than under the international agreement that we have signed up to, and it is clearly at odds with requirements under the ATT. We simply do not know what is being exported under those licences.

Chair: Thank you. We have time for one last short question about cluster munitions.

Q22 Mike Gapes: In your submission to us, you expressed concern that the Government have gone back on a commitment to end indirect investment in the financing of cluster munition producers from this country. Will you clarify why you think that that is? How can

we ensure that, as well as the direct financing, which is stopped, indirect financing is not being promoted from this country?

Oliver Sprague: Let me go back to the passage of the Cluster Munitions (Prohibitions) Act 2010, which was initiated in the House of Lords. The previous Government committed themselves to developing with civil society and financial institutions a voluntary code of conduct to end the practice of indirect financing of cluster munitions. When in Opposition, the current Government tabled a specific amendment in the House of Lords to ensure that indirect financing was captured under the terms of the Act. They withdrew that amendment because agreement was reached on a ministerial statement on the need to develop a voluntary code of conduct. In other words, when it was announced that a voluntary code of conduct would be developed and that the Government would seek to work with civil society and the industry to develop that, the amendment was withdrawn.

All parties at the time recognised that indirect finance was a problem that needed to be tackled, and we remain disappointed that the current Government have not honoured that commitment and have left it up to the banks to develop their own code of conduct. I have met representatives of a number of high street banks—a month ago, I was in the offices of a very large household name that has revised and strengthened its policy, and its message to me was simple. The banks are crying out for the Government to get together with all the financial institutions and civil society NGOs to start the process, because they think that developing policies in these tricky areas in isolation is not helpful. What is needed is everybody to get together, because each financial institution will have a different set of problems that it needs to address, as it is a complicated area.

In the first instance, what we continue to call for is simply the setting up a meeting of all the relevant parties, so that we can at least thrash out some of these issues. All the banks support it, and all civil society NGOs working on it think that it is a good idea.

Q23 Mike Gapes: Which is the lead Government Department? Which Department is causing the problem?

Oliver Sprague: It falls within the remit of the Foreign and Commonwealth Office, because it is dealing with international treaties. I expect that it also touches on areas of finance and banking reform, so the Treasury may well be involved. Specifically, the lead Department is the Foreign and Commonwealth Office.

Chair: Mr Isbister, Mr Sprague and Mr Butcher, thank you very much indeed. We are grateful to you for your evidence, and also for your written evidence. Thank you so much.

Examination of Witnesses

Witnesses: **Mr David Hayes**, Chairman of Export Group for Aerospace and Defence (EGAD), **Mrs Susan Griffiths**, Head of Export Control UK, MBDA UK Ltd, **Ms Bernadette Peers**, Compliance Manager, Strategic Shipping Company Ltd, and **Mr Michael J.V. Bell**, Export Controls Consultant, gave evidence.

Q24 Chair: Good afternoon David Hayes, Susan Griffiths, Ms Bernadette Peers and Michael Bell. We are very glad to see EGAD again. We thank you also for your written evidence to us before this session.

I would like to start with a broad question about the Export Control Organisation. From where you sit, from the business standpoint, do you believe that ECO is producing a gradually improving service for you, or a gradually deteriorating service, or is it much the same service as before? What is the direction of travel?

David Hayes: It is difficult to say what the direction of travel is. It is clear to most people that the organisation is operating under serious constraints at the moment.

Q25 Chair: Do you mean financial restraints?

David Hayes: Ultimately, yes—both financial and resource constraints driven by the financial constraints. It also has to react to issues such as the Arab Spring within existing resources, and that necessarily has an impact on the day-to-day licensing processing and the resources available for day-to-day running when unexpected issues arise, but that is true of all departments in all circumstances.

It is clear, as I say, that the organisation itself is struggling at the moment. It is endeavouring to deal with that in a number of ways, one of which is a proposal that we move further towards the use of open licensing in an effort to reduce the number of standard individual export licences. This type of initiative may help, but only time will tell how successful that is in achieving its objective in the broader sense.

Q26 Chair: Do any others want to comment on how they perceive ECO and its direction of travel? Is it getting better for you, getting worse or staying the same?

Okay, let us move on. I come back to trade exhibitions. What is your view as to the performance of DSEi on trade exhibitions? I would expect you to say that you are embarrassed because it can reflect poorly on the arms export industry generally if things are found in those exhibitions that should not be there, but what is your view on the utility of these exhibitions as far as you are concerned?

David Hayes: The utility of the exhibitions is a commercial matter. If they were not of use to the industry and not of benefit to the industry overall, then market forces would dictate that they no longer happened. The fact that they continue to happen is presumably a demonstration to the contrary—that they are of use to the industry. There are incidents at these fairs and exhibitions that should not happen, and it would help, when these incidents do happen, if there was perhaps a little more transparency around what happened and precisely how it was dealt with, and what was happening to the individual companies involved.

To set this in context, DSEi happens in a very tightly regulated environment. There are countries in which similar events happen without a fraction of the control that is exercised over them in the UK. The fact that every now and again companies step out of line is clearly something that we do not wish to tolerate, but some greater transparency for

all of us around what actually happens when these transgressions are identified would be helpful.

Chair: We want now to turn to the issue of transparency. The Government set much store by it, but on some aspects it is not at all clear to us whether transparency has increased or is reducing.

Q27 Mike Gapes: The Government recently increased the reporting period for open licences from quarterly to annually; they also dropped the requirement for companies to provide descriptions of goods shipped or their ratings. Did the Government consult your organisation, or your individual members, before they took this decision?

David Hayes: We took part in the consultation more broadly. Did they specifically consult us on the plans to change the reporting period from quarterly to annually? No, not that I am aware of.

Q28 Mike Gapes: You were not in a position to give them any advice, because they did not indicate to you that they were going to do it.

Susan Griffiths: The only thing that we took part in was that a number of companies, through EGAD, took part in some user acceptance testing on the Spire system prior to that. There were a number of things about which we went back to ECO using the tool—about not meeting the requirements and not being able to report accurately as it had asked—but at no stage was it proposed to us that these things would change.

Q29 Mike Gapes: Do you believe that the new arrangements will be helpful to parliamentary and public scrutiny, or will they reduce it?

David Hayes: They would reduce it in the sense that the more data you have to process, the easier it is to lose things in the midst of those data. The data that were going to come out of the system focused largely on the use of licences, the scope of which was already entirely in the public domain. For the most part, the data in relation to exports under those licences were already in the possession of the Government, so there was a repetition in data collection, certainly for any exports going outside the EU, which ran counter to the red tape challenge.

The licences themselves, particularly open general export licences, are already published in full on the internet, and their scope is entirely around very low risk exports. It would not be logical to anticipate people having particular issues with exports that were within the scope of those licences, and, if they were, then the problem would surely be around the scope of the licence and not the number of occasions on which the licences had been used.

Q30 Mike Gapes: The Export Control Organisation has improved its processing of single export licences to 71% within 20 working days and 95% within 60 days. However, the processing of appeals has declined to 23% within 20 days against a target of 60%, and to 60% within 60 working days against a target of 95%. Does it concern you that this appeal time

scale has deteriorated, and how can the Export Control Organisation improve its processing of appeals?

David Hayes: The answer to that has to be yes, although the number of appeals taken as an absolute figure is low anyway. It comes back to the original question of resource. With a defined amount of resource, you can only do a certain number of things. If you increase the focus on one of those things, you necessarily have to remove some of the focus from one of the other activities. That is the price that we pay for the constrained environment.

Q31 Sir Malcolm Bruce: I have a quick question on the change in the licence. How can greater transparency be achieved cost-effectively? It seems to me that you are saying that the system was cumbersome, that the cost falls on you and that the Government have the information anyway, but that changing the licensing term from quarterly to annually nevertheless gives the impression that we are lowering the visibility of what is going on, rightly or wrongly. How can you make this change in ways that reassure the public that the information is just as available, and that it is cost-effective?

There is an argument that the industry needs to be part of the process of reassurance, but you seem to be implying that the Government should be responsible and that the Government should pay. Should it not be at least a joint effort?

David Hayes: I am not implying that the industry should not play a role in this. I am implying that industry should not be asked to provide the same information twice, which was the case with many of the requirements under the transparency initiative. There are other ways in which this information could be compiled. For example, the point was made that a lot of this information already exists in companies anyway, in preparation for audit. Yes, it does, and, if we could find a way in which the information could be collated without putting in place a completely new, repetitive and duplicative system, that would be a cost-effective means of doing it.

Companies have to collect the information, and they have to provide it to the ECO in questionnaires in advance of compliance visits. One solution may be to extract the information that has already been provided in previous questionnaires—not all of it obviously, but extracting those parts of the data that are required for the transparency initiative—and publishing it in some form, perhaps in the annual report.

Q32 Sir Malcolm Bruce: I guess that that would be helpful. This Committee obviously prides itself on getting information out of the Government, which quite often is like drawing teeth. The more proactive the system, the more reassurance everybody has. I suggest that the industry has as much interest in assuring the public as the Government do.

Bernadette Peers: The industry certainly feels that it has a role to play and is quite happy and content to provide the information, which of course it does at a compliance visit. What companies object to is that they have to provide it for compliance audits and provide it when they try to make an export, so the information is already being given twice, and they are now being asked to supply it a third time in the transparency initiative. If there was some give, so that we had to give the information once or perhaps twice and that was it, I think that the industry would be content.

Q33 Sir Malcolm Bruce: I am sure that a clever computer programmer could solve that problem.

Bernadette Peers: That is resource again.

Q34 Chair: We turn now to the website issue, which we have dealt with before. When you came before us last year, you were concerned about the Government's introduction of the gov.uk website to replace the existing ECO website. In the light of experience so far, do you think that your concerns were justified, or do you feel that they have been allayed by the way in which the Government website is now operating?

David Hayes: A little of both. Now that we have had experience of it, there is a lot of information in there, and much of it is valuable. Unfortunately, the downside is that it is very difficult to find the information. It is difficult for us, as seasoned practitioners, to find the information, so for people who need it more than we do, because they are new to the compliance world and are desperately trying to find a source of help, it has to be said that it is not particularly user-friendly.

Susan Griffiths: I second that. As David says, when you are used to using it on a regular basis you become familiar with it and can find a way around it and navigate it. Some time ago, they had something like an A to Z on the website that was extremely useful, and new exporters could find the information readily and easily. If they were to go back to something like that, just as an example, it would help enormously.

Q35 Chair: I turn now to the issue of extraterritoriality. As you know, the Committees have consistently advocated the extension of the provisions of extraterritoriality to the remaining goods in category C. We have done so because it seems to us to be self-evident that an arms transfer, brokering, or whatever act involving goods on the military list or dual use list that would be an offence if committed in the UK should equally be an offence if committed by a British person overseas. You have previously expressed some reservations about that. Do you still have reservations, and if so would you explain why?

Michael Bell: Yes, we do have reservations. We have reservations of principle. We object in principle to having a situation where somebody is subject to two different jurisdictions for the same action, which is the case if a UK person is in a foreign country and subject to that foreign country's laws. Secondly, we have objections in practice. We all know that it is extremely hard to bring successful prosecutions against extraterritorial breaches or violations of export controls. In fact, the only people who suffer are the compliant: people who are not compliant find it relatively easy to get around them.

EGAD said in its letter that we regarded the way forward as the successful implementation of the Arms Trade Treaty, because that places on individual countries the responsibility of ensuring that exports from that country are properly regulated according to principles that we share. In a sense, the effect of the Arms Trade Treaty should be that the requirement for brokering controls disappears.

Q36 Chair: Would you not agree that it is difficult to erect an argument against what the Committees are proposing on grounds of principle, given that if such a principle exists it has been breached on successive occasions for about 150 years by successive British Governments? We have published in our reports the list of the totality of extraterritorial provisions that exist in statute dating back to the middle of the 19th century, so I suggest that the principle that you have erected about double jurisdiction is one that the British Government have set aside in cases of what they regard to be serious criminal offences.

Michael Bell: Yes, and indeed, there are circumstances where extraterritorial jurisdiction is entirely defensible—war crimes and so on. In this case, however, I repeat that the position is that an individual is subject to two different jurisdictions for the same action. That, to my mind, cannot be right. However, it is also true, Chair, as you mentioned in the previous question period, that the new Arms Trade Treaty has resulted in the British Government saying that they wish to extend brokering controls to the range of items covered by the Arms Trade Treaty. That would be an extension of the category B controls. We do not share that interpretation of the Arms Trade Treaty; none the less, assuming that it is sustained, it will get you a fair way towards your objective.

Chair: I want to turn now to a number of international arms export trading agreements that we have. The first are the US export control amendments.

Q37 Richard Burden: You warned that there could be “considerable commercial and bureaucratic consequences for UK businesses trading with the US” because of developments in the US’s own export control reform. Would you tell us what the reforms are that you are worried about, and what the consequences are that you mentioned?

David Hayes: To pick a practical example, with effect from 15 October, US suppliers of a range of aerospace items that we would regard as military for UK purposes will be able to export from the US to 36 countries without applying formally for an export licence, under arrangements that the US calls licence exceptions, which you can regard as being conceptually akin to OGELs. One of those countries is Turkey, which is on our doorstep and not the doorstep of the United States. That gives US exporters of this type of equipment a clear advantage over UK exporters, who currently cannot supply the equivalent items to Turkey under open licence.

Q38 Richard Burden: As far as UK legislation is concerned, are there things that could be done that would address these matters without weakening controls that we have brought up over quite a long time?

David Hayes: Very easily. The UK has the option to amend military OGELs to add countries very simply. I do not underestimate the difficulties of adding Turkey to general licences, and the terms of those licences would probably need to be reviewed carefully, particularly in relation to the ultimate end user of the goods, but there is no reason why that avenue should not be explored, with the safeguards necessary to implement it being added to the licences at the same time.

Michael Bell: One might add that another strategic trade authorisation destination is Argentina. We might be a little uneasy at the export without prior licensing authorisation of items that we would categorise as military to that destination.

Q39 Chair: As you know, we are giving specific and detailed attention to Argentina in our next report, including a list of all the extant arms export licences that currently exist with Argentina.

I now turn to the UK-US Defence Trade Co-operation Treaty, to which you attach great importance, as do the Committees. You will have seen the detailed series of questions that we put in our latest report and recommendations, and you will have seen the detailed reply that the Government gave in their Command Paper 8707. The key issue for our Committees, and I imagine also for you, is whether British industry is getting fairer treatment—indeed, better treatment—as a result of this treaty than was the case prior to it coming into effect.

In question f), we asked the Government to state in their response how satisfactorily or not the treaty is working as far as British companies are concerned. The Government, in opening their reply, said, “The Treaty could be working more satisfactorily than at present because the first UK Industry-to-US Government transaction has yet to take place.” I have to say that I read that with some degree of surprise and amazement. Would you tell us what is your perception of how well, or not, the treaty is working as far as British industry is concerned?

David Hayes: The treaty was born at a challenging time. It rapidly became apparent to us that the greater the success of the export control reforms to which you referred, Chair, the less would be the relevance of the treaty. A lot of the activities being undertaken by UK companies that would previously potentially have fallen under the treaty will now transfer to the responsibility of the Department of Commerce in the United States and therefore be outside the scope of the treaty. Couple that with the requirements and constraints of the treaty itself, and you end up with something that conceptually started life as a good idea but, as a result of the constraints that were then put around it, combined with developments that took place at the same time in the US export control system more broadly, so we have ended up with something that has little operational relevance or use to industry. That is why the uptake is so low.

Chair: It is very disappointing to hear that, but thank you for sharing your perspective with us.

We now come, inevitably and inescapably, to ITAR.

Q40 Mike Gapes: I have been asking questions on this for about 15 years, starting with my time on the Defence Committee years ago. In those days, we were talking about ITAR waivers, and then we were going to have a treaty to deal with all the problems in another way, but you seem to be telling me that it has not had a great effect. Will you update us? You expressed concern last year about the United States International Traffic in Arms Regulations procedure. Has the situation improved in the last year?

David Hayes: Considerably. There are mechanisms within ITAR that, taken in combination with an exchange of notes between the UK and US Governments relating to our security clearance procedures, have the potential to alleviate a lot of the burden that previously existed.

Q41 Mike Gapes: Does that particularly apply to dual nationals?

David Hayes: It does.

Q42 Mike Gapes: Is there anything further that we can do? Are there any outstanding problems that need resolving?

David Hayes: There was one, but industry representatives are currently working that out with the US Department of Commerce. When things transfer jurisdiction from the State Department to the Commerce Department under US export control reform, we do not want to end up in a situation worse than it would have been under ITAR. However, that issue has already been identified, discussed and addressed.

Q43 Mike Gapes: It is a good news story.

David Hayes: It is, yes.

Q44 Mike Gapes: This is the first time that I have heard that said in all these years.

David Hayes: There is a first time for everything.

Mike Gapes: That is good. Thank you.

Michael Bell: May I add that another piece of good news is the new ITAR brokering regulation? It has finally abandoned attempts to extend jurisdiction to foreign persons outside the United States. This has been dropped from the latest regulation, so it will no longer be the case that the Department of State can claim jurisdiction over foreign companies engaged in what they describe as brokering activities. That is extremely good news.

Q45 Chair: Thank you. We turn now to another important trade agreement, and that is the UK-France Defence and Security Co-Operation Treaty. In our last report, we asked the Government to tell us how satisfactorily or not the treaty is working as far as British companies are concerned. The Government's reply was, "While it is for industry to judge how the Treaty is working for them, they are able to express views through the UK-France High Level Working Group which oversees capability and equipment issues associated with the Lancaster House Treaty." The Government then went on to say, "Industry representatives have indicated a broad level of satisfaction with progress, particularly when considering joint programmes such as complex weapons and Unmanned Combat Air Vehicles." Do you consider that Government reply to be an accurate statement of the industry's position as to how well the UK-France Defence and Security Co-operation Treaty is working?

Susan Griffiths: I would say yes. Negotiations have been ongoing, and rightly, so quick decisions have not been made. There is still a lot of negotiation going on, in which we have been heavily involved, and lots of consideration. There is recognition by both sides that, while we are trying to move forward on this, there are some small steps to take. There could be some advantage to this, but it is obviously being considered at a very slow pace with the agreement of both sides. There has been good engagement between the Government and industry on this, and we hope for a satisfactory conclusion.

Q46 Chair: Thank you. The last matter that I wish to turn to is the intra-Community transfer, ICT, directive on arms transfers within the EU. Can you tell us how well, or not, armed transfers within the EU under that directive are working as far as British companies are concerned?

David Hayes: As far as British companies are concerned, from the point of view of exporting, it was never that significant a change for us, because our open licensing system has always facilitated export from the UK to our European partners. It was more important for multinational companies to be able to get exports from the EU into the UK under the directive. How is it functioning, Susan?

Susan Griffiths: I would say that uptake is a bit slow, primarily because some EU countries have not yet established global licensing. We are therefore trying to see a broader aspect of where the balance is, because they have been introduced differently in different EU countries.

The benefit for some EU countries has been a change in their own national export licensing. In general, however, it is early days to see how balanced the introduction has been, because they are not always equal. For the UK, we have possibly seen a slight increase in the ability to get licences in a quicker way from those countries, but because there is an onus on the importing side as well, the uptake in some countries has been very small.

Bernadette Peers: The problem is partly a lack of awareness throughout the EU. The UK is very good at doing awareness and advertising to industry that something is available, and we have had a lot of dialogue between industry and Government, from the outset all the way through to getting the directive. That was not the case in the EU, and trying to find sources of information to make use of the directive is difficult. Few UK companies are certified, and we are going to go through the process in order to push the message out. The message as to the benefits of the directive is even more limited across the rest of the EU, because people just do not understand it or know about it.

Q47 Chair: Before we conclude, are there any final points that you would like to put to us?

David Hayes: No, thank you, Chair.

Chair: Thank you, Michael Bell, Bernadette Peers, David Hayes and Susan Griffiths. Thank you very much indeed for your evidence today.

