

THURSDAY 19 NOVEMBER 2015

Members present

Baroness Coussins
Lord Dubs
Lord Horam
Earl of Oxford and Asquith
Lord Risby
Baroness Suttie
Lord Triesman
Lord Tugendhat (Chairman)

Examination of Witnesses

Rt Hon David Lidington MP, Minister for Europe, Foreign and Commonwealth Office

Q175 The Chairman: Minister, thank you very much for coming. I know this has been in the book for some while, but I imagine you are more than ordinarily busy at the moment, and we are appreciative of the fact that you have still come and have not changed anything. You know the preamble: this is a formal meeting of the Committee, and is in fact the last of our evidence sessions in our inquiry, although whether we may feel the need for more remains to be seen. You will obviously get a copy of the transcript.

In the light of recent events, we thought it right to change the order of questioning a little. We also put ourselves to some extent in your hands. We thought that we would start off with a question about Article 42.7, to which we will add a question about why you think the French invoked Article 42.7 instead of Article 222. Then we will ask questions 7 to 10, and then go back to the beginning. That is also an easier way to do it in the light of recent events. If your officials do not have Article 222 ready to hand, I gather the difference between Article 42.7 and Article 222 is that Article 42.7 asks for assistance from the Member States, whereas Article 222 asks for assistance from the institutions.

What is your assessment of the significance of the request under Article 42.7? What do you judge to be the likely response by other EU Member States? Do you see any significance in the fact that they invoked 42.7 and not 222?

Rt Hon David Lidington MP: I will take the second part of your question first, Lord Chairman. As you said, the distinction between the two articles is that 222 explicitly says that, "The Union and its Member States shall act jointly". So it explicitly brings in the EU institutions in a way that Article 42.7, which is intergovernmental in nature, does not. You

would really need to have a French Minister in front of you to explain the choice that they made, but it means that we do not have to have any arguments about where competence lies in this. Seeking to place myself in the position of the French Government, I think there are two things behind their invocation of Article 42.7. First, it is very important for France to be able to demonstrate internationally, including to the terrorist groups and their sponsors, but also to its own people, that it really has the solidarity of its fellow democracies in Europe. That is true of other democratic countries around the world as well, but the article provides an institutional means for EU Member States to demonstrate that solidarity. Both the Foreign Secretary and I have found in our conversations with French opposite numbers in recent days that they have been hugely appreciative of the support that they have been given and offered by the United Kingdom and other European countries.

Now, what does it mean? To some extent we are in the hands of the French here. As I said, I think there are two reasons why they invoked it. France is clearly going through a rapid reassessment of how its own immediate foreign and security policy priorities need to be reordered in the wake of the terrorist outrage in Paris. We have already seen an intensification of French military activity in the Middle East, attacking ISIL targets, which clearly raises questions about whether France might wish to seek either some kind of practical support from some of its partners—refuelling comes to mind—or for partners to step forward and take on duties elsewhere in the world that are currently being carried out by French forces that they might wish to release. After all, this is what Germany did at the time of the coalition intervention in Libya. Germany chose not to take part in that, but said that she would intensify her activity in Afghanistan to relieve the pressure on France and the UK.

The Chairman: I think I have seen somewhere that the Irish have offered to send troops, although I cannot imagine it would be very many, to Mali in order to help. On your point about solidarity, I remember very well when I was in Brussels at the time of the Falklands War how very important it was to HMG, to the Prime Minister—notwithstanding her budgetary problems with the EU—and to British public opinion when the whole of the EU rallied round within hours of the invasion.

Rt Hon David Lidington MP: That was very important indeed. The same could be said if we look back to the 7/7 outrage in London. The Gleneagles summit was taking place at the time, and the then Prime Minister Mr Blair was able to look immediately to his European colleagues for very strong expressions of moral, and if required practical, support and co-operation.

The Chairman: Would anybody like to follow up on this question? There is one final thing on this. As far as you know, did everybody sign, as it were, immediately, or were there any hesitations?

Rt Hon David Lidington MP: As far as I am aware, there have been no quibbles about this. In fact, the Foreign Affairs Council, which met on Monday, the foreign affairs and defence configuration that met on Tuesday morning and the General Affairs Council on Tuesday afternoon all resolved unanimously to offer full support for France.

Q176 The Chairman: Something that concerned us earlier in our investigation was the nature of the co-operation between the EU's intelligence and assessment capacities. We have been hearing about suggestions for strengthening the EEAS's capabilities and those of the Member States in sharing intelligence. Is it a fair representation of the UK view to suggest that you would disagree with these suggestions, or would that be unfair? In any case, in the light of recent events, where do we stand now so far as the shared intelligence and assessment capacity of the EU Member States are concerned?

Rt Hon David Lidington MP: I would describe that as an oversimplification, Lord Chairman. My starting point is that the treaties themselves are explicit that national security remains a Member State competence. The treaties are also clear, in their provisions on common foreign and security policy and on security and defence policy, that those policy areas and the External Action Service itself as an institution are basically at the service of the Member States, which have to act by consensus when it comes to any foreign or security policy position governed by those treaty articles. The United Kingdom Government's approach is therefore that we do share information and intelligence with trusted partners. That happens operationally on a day-by-day basis. The Committee will obviously not expect me to go into details, but this country's security and intelligence agencies and police forces have trusted relationships with equivalents in European countries, and those relationships will continue. Clearly, in the wake of what has happened in Paris, we will, as you would expect us to, be reviewing further whether we need to seek improvements. The Home Secretary has already made it clear that in the context of counterterrorist work she feels that there is a need for improved information sharing between Member States of the European Union. We all face a common threat. I am not at all persuaded that one should then take the further step of saying that somehow there should be a separate, self-standing EU intelligence agency or intelligence structure. Some good co-operative arrangements already exist, notably the EU Intelligence Analysis Centre, with which we do share intelligence that we can, which provides intelligence analyses, early warning and situational awareness to both the High Representative and the EEAS but also to decision-makers at senior levels in the appropriate parts of the Commission and to Member State Governments. We think that the structure is there; it is a question of bringing the focus and the political will to bear to make those structures effective. Too often, there is a bit of a comfort zone for the European Union, which does not just apply in this area of policy. If I have a criticism, it is that in the past five and a half years I have observed that the comfort zone for the EU is that the default position can be that we must do something institutionally. Actually, it is not always institutional change, let alone the creation of a new institution, that is what you need to solve a problem.

Q177 Baroness Suttie: Thank you very much Minister. You touched on this a little in your first answer. One of the things we have heard in our evidence sessions, including in Brussels, is that ad hoc groups of Member States have been suggested as a way forward for EU foreign policy. What is HMG's response to this, and what do you believe needs to be done to ensure that such ad hoc groupings do not undermine the cohesiveness of an EU foreign policy and that no Member States, particularly perhaps smaller ones, feel left out?

Rt Hon David Lidington MP: The Committee will have heard the Prime Minister and the Foreign Secretary talking about foreign policy work involving networks rather than blocs. I think that is increasingly the reality today. I completely understand the point that Baroness Suttie makes about ensuring that nobody feels that they are excluded. The fact that there cannot be any formal EU position on any foreign policy subject without unanimity is the ultimate safeguard written into the treaties. Not even the smallest EU member can be overridden by a majority vote. At the same time, the reality is that there are a large number of Member States, particularly the smaller ones, whose geographical focus in foreign policy will be regional or will reflect that country's particular interests. By contrast, for the bigger Member States there will be more of global outlook, because countries such as ours, France and Germany will have global interests, both economic and political, as well as the capacity, in terms of the size of diplomatic services and so on, to address those issues. I do not see the rise of ad hoc groups of Member States as a threat, because there is that safeguard of the requirement for unanimity. That reflects the reality of the diverse nature of the European Union today. I know that the Committee has heard evidence from other witnesses who have

talked about a divergence, to generalise a bit, between the central European countries that see the priority as being Russia and the eastern neighbourhood, and the Mediterranean countries that are looking south at Africa and to the Near East. That is a fact of life. If you are Lithuania, you are going to be very interested in Belarus, Russia and therefore Ukraine. If you are from the Government of Greece or Spain, you will have a different focus because of your different geography and your different historical and cultural links. I do not think that is something we should be fearful of. It actually means that the many different Member States each bring something to the table. For the EU to work effectively on foreign policy, you will often need initiatives to be developed by a smaller group of countries that are prepared to do the work and then present it to their colleagues as a way forward. I can give a recent example of that, which was the initiative to try to re-energise political progress in Bosnia-Herzegovina. That was very much the child of UK-German thinking just over a year ago. Both here and in Berlin there was deep concern that Bosnia was at risk of slipping backwards and that there was a stasis in trying to form stable governance there or to secure progress towards EU enlargement. Our officials, and ultimately our two foreign Ministers, got together and agreed on a plan. We talked to the High Representative and other Governments about it, and it was eventually, after discussion, accepted as the position of the EU as a whole. That was a good illustration of how this can work to everybody's benefit.

Q178 Lord Horam: Minister, in answer to a question from the Chairman, you indicated your scepticism about the fact that the European Union's frequent response to problems was to invoke further institutional change, when sometimes it could just act. None the less, I want to ask a question about institutions, in particular the absence of shared politico-military institutional structures within the European Union. Do you think this has weakened the EU's capacity to exercise collective strategic decision-making? In the light of this, is there an argument for the UK to reconsider its opposition to institutional reform such as an EU operational headquarters or even some sort of shared military capacity?

Rt Hon David Lidington MP: I see no evidence that the absence of a permanent operational headquarters inhibits effective EU policy. There are a fair number of surplus headquarters buildings available in different parts of the EU. We made Northwood available, as the Committee knows, for Operation Atalanta. I have been there, and if the Committee gets the opportunity, I very much recommend a visit. You have all the kit and systems there that you need for such an operation, hosted by the UK but with an EU operation that has all Member States represented. In the room next door there is the complementary NATO operation as well, so the two can work pretty seamlessly together. That is a good model to follow. The idea that you have to have a new building with 28 flagpoles outside for the EU to do anything seems to me to be the wrong way to go about addressing this issue. I would say to Lord Horam that there are more important structural issues that deserve concerted work, not least of which is the fact that there is sometimes still a gap between the External Action Service and the Commission. One of the ideas behind the arrangements embodied in the Lisbon Treaty was that they would make possible much more coherent policy-making, drawing on the diplomatic expertise of the External Action Service and the budgetary instruments and broader policy responsibilities of different Directorates-General in the Commission. Yet there have still been recent examples of where that inter-institutional relationship has not worked as effectively as it ought to have done. That is a pity and it needs to be addressed when we are facing challenges from hybrid conflicts, as we are seeing for example in Ukraine, where we are not talking about conventional military force being the only thing that is involved—we are seeing energy and strategic communications used as powerful political weapons. Or we can look at the Baltics, where we have seen cyberattacks and cyberthreats as something of significant potency.

Q179 Lord Risby: Minister, you mentioned the synergy between the External Action Service and the European Commission. I wanted to ask you a little bit more about whether there were other institutional reforms that you thought could make the foreign policy of the European Union more efficacious, but I also wanted to ask you something else in that context. If you are sitting in Washington looking at Europe, you see, first of all, an unwillingness among the European nations to spend money on any kind of defence capability—we already have the situation of course with NATO—and that is confirmed by public opinion in European countries, which is very unwilling for those countries to be engaged in military involvement. In that context, do you feel that the efficacy of the EU, from a long-term strategic point of view and in terms of its credibility in foreign policy, is negatively influenced by this attitude of mind and indeed by this institutional lack of synergy that you referred to?

Rt Hon David Lidington MP: I think it is true that there has been a growing sense of resentment in the United States at what they see as Europe consuming security that is being paid for by United States taxpayers. Roughly 70% of the NATO budget is funded by the United States of America. We have seen, for example with Libya and in Mali, a readiness on the part of the United States to say, “Well, actually this is not going to be an issue where we are the first ones to step forward. We think that you Europeans need to sort out how to take the lead on this, although we will be supportive”. I regard the single telephone number as a bit of a red herring. It is an interesting question as to whether there is always a single telephone number in the United States on these matters, because getting interagency agreement in Washington can sometimes be a challenging process. I think every American Administration recognises that so long as you have the reality that members of the European Union are independent countries and that foreign policy remains—under the treaties and as a matter of day-to-day democratic political reality—the province of national Governments, you have to work through a system that is somewhat complex and involves relationship-building with key players. My experience was that Baroness Ashton, when she was High Representative, developed an extremely good and fruitful working relationship with successive Secretaries of State and with key members of the United States Administration. Federica Mogherini is obviously still relatively new to the job, but she has worked extremely hard to build up a comparable set of relationships with John Kerry and others, which complement but do not substitute for the relationships that the United States has with this country, France, Germany, Italy, Poland and so on. In my view, in the end it boils down to political will and developing the habit of working together. I have seen European CFSP and CSDP be most effective where Foreign Ministers have talked to each other and to the High Representative and have worked out the positions, rather than waiting for a formal Foreign Affairs Council meeting to sort things out. It is that habit of working together routinely and intimately that is at the heart of what is needed, not further institutional changes. As I say, there are still some challenges with the EAS-Commission relationship, and there are some problems and challenges in planning. When a new CSDP mission is proposed, having some idea of the exit strategy ought to be part of the plan. What is the objective that, when achieved, would lead to the CSDP mission being ended and Commission programmes to do with international development, funding for improved governance and the like coming into play instead?

Q180 The Chairman: I now come back to where we were going to begin. It has been suggested that a new EU foreign policy strategy should focus on the threats that have a direct impact in the security of the Union—which are, in effect, the turmoil in the neighbouring periphery and its consequences. Would you agree with that, and what do you assess to be the strategic priorities of the EU?

Rt Hon David Lidington MP: I would broadly agree, although I have a couple of caveats. If the EU cannot deal with the neighbourhood, then a lot of people around the world are going to

ask whether the EU is capable of dealing with anything. There are very serious challenges both to the east and to the south. They have to be clear priorities, but they cannot be the sole priorities, because European countries have global interests. Something like the challenge posed by Iran's nuclear programme, where the EU was extremely active in brokering and negotiating the deal, is an example of an area of policy that has an obvious global dimension and goes way beyond just Europe's immediate neighbourhood. There is a need for clear priorities, because otherwise there is the temptation to have a shopping list that grows ever longer or to think that the EU needs to have a clear policy position on absolutely every foreign policy issue under the sun without ranking them at all. Broadly speaking, yes, the eastern and southern neighbourhoods need to be the first priority, while not forgetting of course the western Balkans or Turkey, where we are looking at countries that are on the path to European Union accession one day.

The Chairman: Perhaps I could slightly rephrase this. I absolutely take the point you make that asks what, if you cannot manage your neighbourhood, you can do beyond that. But quite apart from its proximity, one of the most important characteristics of the neighbourhood is that what happens within it has a direct impact on domestic affairs within the Member States. We see this most clearly in relation to immigration, but obviously the people involved in the Paris atrocities came from the neighbourhood, and the particular concerns are concerns that affect people within the domestic populations of the Member States. The neighbourhood is not just a matter of external affairs; it is a matter of actually dealing with issues that cross the boundary between the Foreign Office and the Home Office, if I could put it like that.

Rt Hon David Lidington MP: I completely agree, and that reinforces the point I made earlier about the need for the EAS's diplomatic work to be complemented by very active engagement by the Commission in putting together a genuinely comprehensive approach to these big challenges. I need to add, Lord Chairman, that although you are right in saying that people from the neighbourhood seem likely to have been behind the atrocities in Paris, it also looks as if at least some of those who took part in that terrorist outrage were citizens of European Union countries themselves. Clearly, if we are going to deal with the challenge in Europe's southern neighbourhood, part of this is going to be about classic diplomatic activity, where I would cite the efforts to bring about a Government of National Unity in Libya as one example. That would include efforts to improve the quality of governance, political stability and the quality of military and police forces in countries—that is what is happening in Mali at the moment and might happen in Libya in the future if we get an effective unity Government established there. We also need a comprehensive approach to address the reasons why people in African countries feel they have to throw in their lot with ruthless people traffickers. That takes us into issues of humanitarian relief, international development and long-term efforts to improve governance in what are very fragile and sometimes failing states. I could make similar but slightly different points as regards the eastern neighbourhood. One point I will just throw in in relation to our partners in the Baltic countries is the precedent set by Russia's annexation of Crimea and then her intervention in the Donbass. That has thrown into question, in the eyes of those Baltic Governments, whether Russia accepts their statehood and their right to self-determination at all. I remember going to all three of the Baltics after the Ukraine crisis broke, and this was a very live issue that was dominating domestic political debate.

The Chairman: Lord Triesman will run two questions together.

Q181 Lord Triesman: Thank you Chairman. I apologise to you and to David, and indeed to colleagues, for arriving late. The High Representative's review is scheduled to be published in June next year. In the meantime, the European Neighbourhood Policy is due to be released

this month, and we think the new action plan for Turkey has already been agreed. But the budget process for EU external activities seems to be on a completely different cycle. Do you expect the strategic review to be successful in pulling together and co-ordinating these different threads of EU external policies?

For efficiency, I will just run on to the next question, as I have logged them both. The EU's policies in the Middle East and north Africa raise difficult questions about how the EU can most effectively promote values. We think that it is moving towards a more pragmatic approach to this. Do you agree? Do you judge that the balance has been struck correctly between values and interests in EU external policy?

Rt Hon David Lidington MP: On the first question, we see the strategic review as providing for an overarching strategy, beneath which the European Neighbourhood Policy, the Turkey action plan and the Valletta summit action plan would all sit. We think that the purpose of the strategic plan should be to promote coherence between the different elements of the existing CFSP and, by setting priorities, influence how priority is given to spending within heading 4 of the EU budget. The other clear opportunity in the strategic review, because of the double-hatted nature of the High Representative's job, is to set the diplomatic work alongside the work led by the Commission on energy, humanitarian aid, development, trade and so on, within that broad context of Europe's strategic foreign policy priorities. Lord Triesman's second question is worthy of a seminar in its own right. My starting point on this is that we have to deal with the world as it is and with the crises and challenges that face us today. That will mean that we have to deal with Governments who do not necessarily share our values; if we restrict ourselves to talking to Governments who share democratic values, we are going to restrict our diplomatic engagement. Behind that, there are also some very important realities about the world in the 21st century. If you look at the demographics of most of the countries in the Middle East, north Africa and, for that matter, sub-Saharan Africa, you are looking at countries where probably between 60% and 70% of the population in most cases is aged under 30. Increasing numbers of those young people will be digital-savvy and will have knowledge, at least to some degree, of what happens and what is said and thought elsewhere in the world. It is not a guarantor that they will subscribe to the sort of values that we regard as the core of our political beliefs; for some young people it will take them off towards more extreme fundamentalist ideologies.

What is true is that when young people are such a disproportionate part of the population, they will demand of their rulers some greater say moving forward in how those countries are run. That is something that those countries will have to confront. I also firmly believe that our strategic objectives have to include securing greater prosperity and better-quality governance in those countries, because that is in our very direct, practical self-interest. A country that is well governed and prosperous is going to find it easier to prevent and defeat terrorism and extremism, and such a country is also much less likely than a failing state to find that many of its citizens want to get out at almost any cost. In my experience as a Minister talking to British business, I get a very clear message that business invests in places where it is confident about the independence of the judiciary and confident that licences and permits will be determined by independent courts and not through doing political favours for some relative of the president. They also obviously want to have transparency and free markets so that they can see exactly what they are trading and with whom. Businesses have said to me, "There are lots of other places in the world where we can put our money". Both economic and political reform, in line with what are often described in the Brussels talks as European values, seem to align themselves with our more hard-headed self-interest. As Lord Triesman's question implies, there is a balance to be struck there. One must not abandon one's values, but actually

our values can help those countries to make a transformation that will be to our mutual benefit.

Q182 Earl of Oxford and Asquith: Events in Syria are obviously developing rapidly and the assessments of policy requirements must be overtaking each other quite rapidly. The Committee would not expect you to comment on any current policy negotiations or reviews, as it were, but there are now multifarious interests at play—Iraq, Syria, Iran, Russia and the US are all present in some form or other. In the past, it has been suggested to the Committee that the EU institutions—or more likely the Member States—could play a role as an honest broker or mediator. That might seem a little ambitious at the moment, but do you see EU states playing a participatory or co-operative role, whether we call that a contact group or a coalition? If so, how would that work in practice?

Rt Hon David Lidington MP: Both the EU, through the High Representative, and the larger Member States—us, Germany, France and Italy—have already been taking part in the talks in Vienna through the International Syria Support Group. That is about trying to press the parties in Syria towards political talks that will enable a transition away from the current regime to take place and the emergence of a Government who can be a genuine focus of national unity in Syria. I do not think it would work if we tried to reproduce exactly the E3+3 format, which was well tailored to the Iran question. There is also of course very active UN involvement in Syria through Staffan de Mistura, who has said that he wants to bring the Syrian parties together for talks. We see the role of the ISSG in Vienna as in large measure just about trying to support and facilitate the work that de Mistura is leading on behalf of Ban Ki-moon. Having said that, there is also a massive EU humanitarian effort to help both people displaced inside Syria and those in the neighbouring countries. Donations from the EU and its Member States together have now exceeded €4 billion, with the UK contributing about €1.4 billion, which is what we have either given or pledged.

Q183 Lord Dubs: Thank you. Could we turn to Turkey? In the evidence that we have taken, I think we have found that EU policy towards Turkey has in the past been characterised by strategic neglect, perhaps, and now even by disarray in response to the refugee crisis. It seemed to us that we have been a bit muddled towards Turkey and that divisions between Member States have weakened the offer of membership of the Union to Turkey. How do you think the EU and the Member States should reconsider and revive their partnership with Turkey? How should the EU respond to the increasingly authoritarian nature of the Turkish regime, while acknowledging that there is a bit of progress on Cyprus at the moment?

Rt Hon David Lidington MP: I never want to sound overoptimistic, but I would characterise what is happening in Cyprus as rather better than a little bit of progress. People in the leaderships of both communities in Cyprus to whom I have spoken talk in terms of this being the best opportunity since the Annan plan. We are doing what we can to support the work that Espen Eide is leading.

On the question of Turkey, we see Turkey as being of critical importance in two respects: it is a candidate for EU accession and a strategic partner. It has been a member of NATO for decades. It is a significant player in the politics of the Near East but also a country with significant reach into Africa, particularly but not only north Africa, and into central Asia and the Caucasus. In all those areas there are important Turkish links and economic and cultural ties. We see those two roles—candidate and strategic partner—as complementary.

On the question of Turkish politics, we think that Turkey has quite a way to go before she would meet the standards that would be necessary were we to complete chapters 23 and 24 of the EU accession process—and of course those chapters have not even been opened yet. It is

worth just noting that Turkey remains a multiparty democracy. We are not now looking at a country of the kind that it was perhaps 30 years ago, which was under military rule or at risk of a military coup. It is a very vigorous, rumbustious multiparty democracy, and there have been general elections this year. The results of both those elections have been accepted by all the political parties, albeit sometimes with some complaints about particular tactics. We need to recognise the good as well as what still needs to be done, but I am very firmly of the view that the best way to address the issues of the rule of law and human rights, including minority rights, in Turkey is through the EU accession process. That is, after all, how we succeeded in central Europe and how we have begun in the western Balkans to institutionalise human rights and the rule of law in those countries.

Q184 Lord Dubs: Traditionally, over the years, Germany, France and I think Austria have sent fairly negative signals to Turkey about the possibility of accession. Have those signals become less serious—in other words, have those countries modified their stance? Or does the fact that Britain remains a key country to welcome Turkey into the EU, while some of these other players do not, reduce the attractiveness of the EU to the Government in Ankara?

Rt Hon David Lidington MP: Whenever I have talked to my Turkish opposite numbers, they have been absolutely adamant that they see Turkey's future in the EU, complementing the role that Turkey has as a key member of NATO. As Lord Dubs says, it is true that other European Governments have been more sceptical in recent years, but Turkey remains a candidate country. We did get agreement on opening another chapter last year, and I hope that we will get agreement before long on opening further chapters. I believe very strongly that it is in the strategic interests of the whole European Union that we are able to anchor Turkey, through the accession process, firmly in a Euro-Atlantic alignment. We must never forget that there are millions and millions of people in Turkey who look at their country in that way. We need to press on with that. We should not ignore the challenges or pretend that they do not exist, but that is the way forward. It is also the key to unlocking the inadequate level of co-operation that is currently permissible between NATO and the European Union. Above all, it is the stand-off over Cyprus that has led to seamless EU-NATO co-operation being impossible. It really would make sense if we had a system in which it was just natural for the hard military capabilities of NATO to be complemented by the extensive soft-power assets of the European Union. At the moment that is not possible. If we can bring Turkey forward and deal with the Cyprus issue satisfactorily, then huge possibilities open up that really are very much in our interests.

Q185 Lord Risby: Could I just ask you to elaborate a little on the subject of Cyprus? From a Greek point of view, one way of putting it would be that it probably has some obligations to others currently in a way that perhaps it has not had before. But there have also been some noises from the Turks that seem to be quite encouraging. In the context of this whole dynamic that is going on and this new look at Turkey, as well as what has happened to Greece more recently of course and our incredibly important role in what has been an intractable problem for decades, can you give us a little more insight into what might be happening?

Rt Hon David Lidington MP: I will try to do so. I think the mood in the last year has been transformed, in that we have now, for the first time in many years, two leaders in President Anastasiades and Mr Akinci who are very publicly and strongly committed to securing a settlement on the island. They are working with a UN envoy, Espen Eide, the former Norwegian Foreign Minister, who both sides trust and who is relatively new himself in the job and has therefore come to it without any history of difficult relations with either side. There have been a number of extremely welcome moves forward. You see this most obviously in the way in which the leaders have met frequently. They have both declared themselves

publicly ready to address the really difficult issues—not just the low-hanging fruit—and have both agreed that they are going to get together and take the key decisions, and will give mandates to their chief negotiators rather than keeping the negotiators at arm's length and not taking responsibility themselves for what happens. We have seen it also in a number of symbolic acts, such as when President Anastasiades and Mr Akinci walked together across the green line in Nicosia and took coffee in different cafes, first in the south and then in the north. Those sorts of gestures mean something in an island that has been divided as long as Cyprus has been. We see the role of the United Kingdom as being to support the efforts of the UN and of both community leaders in Cyprus. We have tried to help: for example, I invited the presidents of the Greek Cypriot and the Turkish Cypriot chambers of commerce to London last year, so that they could advertise the economic benefits for everybody in Cyprus of a political settlement there. But it is not for the UK to lay down the blueprint for a solution. In fact, that would be the one thing that would be guaranteed to bring everybody in Cyprus together in unanimity: they would all say, "There is absolutely no way you are telling us what to do". But we are helping, and our High Commissioner in particular is extremely active behind the scenes. The Foreign Secretary will be in Cyprus very soon, and he and I have both taken a very close interest in what is going on there. The stage we are at now is that the leaders and the negotiators are tackling some of the most difficult issues, such as the question of sovereignty and how you define the reunited Cypriot state. Our position remains that we want to see a bi-zonal and bi-communal federation in conformity with the relevant United Nations resolutions and with respect for human rights for all. They are starting to talk about the issues of property and what you do about the fact that there are families who moved north to south and south to north in 1974 and how you deal with that very difficult question. There are questions about territory, such as what the fair territorial division of the island is between the Greek Cypriot and the Turkish Cypriot zones and to what extent that would involve swaps of land currently one or other side of the green line. Then there is the question of security, where we, as one of the guarantor powers, will have some kind of role in the discussion at the end of the day. How are we to underwrite the security of the new settlement? Historically, the Turkish Cypriots have looked to Turkey to provide that, whereas the Greek Cypriots, particularly since 1974, have seen that guarantor role of Turkey as a threat to them. How do we overcome that? It would be wrong of me to go into much more detail in public, but I am really heartened to see that the leaders themselves and their representatives are addressing those issues.

Q186 Baroness Coussins: Switching focus again, I would like to talk about Russia. I know that you are familiar with the report that was published last February on the inquiry this Sub-Committee undertook into EU-Russia relations. In that report, we noted how important it was to see unity among Member States in relation to sanctions against Russia. It is clear that that unity has been sustained and that sanctions are having an effect. Alongside that, we are not clear that any further steps have been taken on either the political or diplomatic front to defuse or resolve the situation in east Ukraine. Indeed, one witness said to us that the more tense relationship is not merely bad weather but a new climate. If that is the case, how should the EU recalibrate its strategic posture towards Russia? Is there any discussion of a new approach to Russia at the EU political level? Clearly, we have seen some movement in relation to Syria recently, but whether in relation to Syria, Ukraine or indeed elsewhere, are there potentially constructive discussions actually happening? If not, what chance do you think there is of that coming down the line?

Rt Hon David Lidington MP: The starting point has to be being honest with ourselves about where Russia is coming from. We have seen co-operation over Iran, and it may also be possible to find ways in which we can co-operate with Russia on Syria despite all the

difficulties that were set out in the Committee's report. But I come back to the truth that Russian intervention in Ukraine, particularly the annexation of Crimea, which Russia itself had recognised as an integral part of Ukrainian territory, represented a very serious breach in the way we had become accustomed to doing business in Europe since the Helsinki Final Act. This was the outright annexation of the territory of one European country by another—one OSCE Member State by another. That is not a precedent that we can simply sit back and pretend has not been set. Add to that the language, which President Putin has used in the past, about Russia having the right to intervene anywhere in order to protect the interests of Russians or Russian-speakers, which is seen as threatening by countries from Georgia to Latvia that have significant Russian or Russian-speaking minorities. Add to that the way in which gas supplies to Poland and Slovakia were switched off temporarily last year. Look at the interference, even before the Ukraine sanctions and countersanctions came in, with Lithuanian agricultural exports into Russia. Look at how Russia has acted in Moldova—leaving aside Georgia for the moment, where we have unresolved conflicts in Abkhazia and South Ossetia. The picture is very troubling. I am forced to conclude that the Government of Russia have chosen to treat Europe more as a strategic adversary than as a strategic partner. I do not think we can take it for granted at all that Russia sees its future in its gradual integration into a rules-based international order. It was that assumption, after all, which led to the policy that United Kingdom Governments and European Governments generally pursued of bringing Russia into the G7—the G8—the World Trade Organization and so on. We have to maintain a very cautious approach to our relationship with Russia while this concern persists as to whether Russia genuinely recognises the right of sovereign countries that were once part of the USSR to decide their own future. I agree with the implication behind Baroness Coussins' question that in the longer term we need to establish a strategic approach to the relationship with Russia. It is a major power in its own region and in the world. The idea that you should simply not talk to Russia at all is laughable, but we should not pretend that the Russian authorities are acting in a way that is more attractive than the reality.

Q187 Lord Horam: One of our witnesses said that what Russia really wants from the international community is respect, as well as some sense of acknowledgement of its historical near-neighbourhood and so forth. It has tried the nice way over the last 20 years and that was ignored, by America particularly: NATO was expanded and all sorts of verbal undertakings were broken. It has not got anywhere with the nice way, so it is now trying the nasty way. How do you respond to that interpretation of Russia's attitude?

Rt Hon David Lidington MP: It is not an accurate representation of history. For a start, it was not a question of NATO forcing its way up to the borders of Russia; it was a case of the Baltic states, which had the most appalling history in the mid-20th century, coming to NATO and battering at the door demanding to be let in. That was something that Russia did not complain about until the last few years. Russia has had an offer from Europe, and from the West more generally, to treat it as a very respected partner. I have already mentioned the G8 and the WTO. Russia was on the path to OECD membership, and NATO established the NATO-Russia Council so that there could be a dialogue between Russia and NATO as an institution. Huge efforts were made and I regret the fact that Russia acted as she did in Ukraine. The reality is that the Russian Government was not prepared to allow Ukraine to decide its own future. When President Putin described the break-up and collapse of the Soviet Union as the worst disaster in international relations in his lifetime, I think he was speaking from the heart. That sends a very troubling message.

Q188 Earl of Oxford and Asquith: You have given a very accurate and comprehensive account of the historical background over the last two years to Russia's behaviour, but given

where we are now—with Syria, with what has happened in Paris and with the statements that President Hollande and President Putin have made—is it realistically possible to make some progress strategically with Russia without some modification of, let us say, the sanctions policy or our existing relationship with Russia?

Rt Hon David Lidington MP: Yes, I do think it is possible. The Iranian precedent demonstrates that it is possible. The E3+3 talks continued with Russia being an active and constructive participant even while Russia and the West were at daggers drawn over Ukraine and while sanctions and countersanctions were being introduced. ISIL—Daesh—is a threat to all of us. Our information is that 85% of Russian air strikes in the early days and weeks were actually on non-ISIL targets inside Syria, but Russia certainly has an influence over the regime in Damascus that far exceeds that of any western European country or the United States. As the Prime Minister said, we believe that Assad cannot be the focus of a Government of national unity, but we would like to agree with Russia an arrangement for a political transition whereby Assad would step aside but people associated with his regime could find common cause with the moderate elements of the opposition to start to rebuild some structure of governance inside Syria. That is what the Prime Minister was talking to President Putin about in Antalya last weekend.

The Chairman: Thank you very much indeed Minister. We have had you for over an hour. Thank you for the fullness and frankness of your answers.