



Foreign, Commonwealth
& Development Office

Leo Docherty MP
Minister for Europe
King Charles Street
London
SW1A 2AH
Tel: 0207 008 5000

Email:
fcdo.correspondence@fcdo.gov.uk

www.gov.uk/fcdo

Alicia Kearns MP
Chair, Foreign Affairs Committee
House of Commons
London
SW1A 0AA

13 October 2023

Dear Alicia,

Thank you for the Foreign Affairs Committee's ongoing interest in the UK's approach to engagement with Central Asia. Your letter of 13 September set out six questions on which I undertook to write to the Committee, during my oral evidence session on 5 September. I am content for this response to be published.

1. You referred to plans for high level visits from and to the UK to Central Asia over the next 12 months and undertook to write to us with further details on planned ministerial visits.

I have just returned from a visit to Astana, Kazakhstan on 2-3 October where I co-chaired the 7th iteration of the UK-Kazakhstan Strategic Dialogue. This was my third visit to Central Asia this year. The dialogue with Kazakhstan covered shared priorities in the bilateral relationship, including Russia/Ukraine, sanctions circumvention, education and climate. The Minister for Armed Forces, James Heapey, also travelled to Kazakhstan and to Uzbekistan in late September to discuss opportunities for defence collaboration in the region.

Minister Ghani, Minister of State at the Department for Business and Trade, will visit Astana for the UK-Kazakhstan Inter-Governmental Commission (IGC) on Trade and Investment in November. We are exploring possibilities across government for further outward Ministerial travel to Central Asia.

Later this year, we look forward to welcoming delegations from Central Asia to the UK. This will include senior representatives from Uzbekistan for the 5th iteration of the UK-Uzbekistan Strategic Dialogue and Uzbekistan-British Trade and Industry Council (UBTIC). Ministers from across Central Asia, including the Kyrgyz Prime Minister, are expected in London for the MINEX Eurasia Mining Conference in November. We are also preparing to host a visit to London by the Kyrgyz Foreign Minister before the end of the year to initiate our first UK-Kyrgyzstan Political Dialogue.

2. You explained the work your department helps facilitate in Kazakhstan on anti-corruption and illicit finance and undertook to provide further details of planned activities in the other Central Asian countries. In addition to this, how does the FCDO work with the Treasury, and other departments, in addressing the use of the UK financial services in the laundering of illicit finance in the City of London?

The UK is fully committed to recovering and returning corruptly obtained assets. This must be done in accordance with legal due process, which can take time, but ensures that it is fully fair and transparent. We are assisting Central Asian governments with mutual legal assistance requests where it appears assets have been sent to the UK. For example, the Serious Fraud Office is continuing its civil recovery proceeds of crime case against assets in the UK held by Gulnara Karimova, daughter of the former Uzbek President. If the high court case is successful, we hope to be able to return the assets to Uzbekistan.

The FCDO, along with other government departments, works alongside the Treasury to deliver the Economic Crime Plan 2023-2026. This strategy, developed and delivered in partnership with law enforcement, supervisory agencies and the private sector, sets out a comprehensive approach to improve the effectiveness of the UK's money laundering regulations, refine the structure of our supervisory regime and strengthen our response to kleptocracy. This 3-year plan focuses on achieving tangible outcomes and commits us to: 1) reducing money laundering and recovering more criminal assets; 2) combatting kleptocracy and driving down sanctions evasion; and 3) cutting fraud. The progress of this plan is monitored by the Economic Crime Strategic Board of which HMT and FCDO are members.

HMT and the FCDO work closely together to ensure that international illicit finance is tackled to reduce the likelihood of funds reaching the UK, and to support the delivery of wider UK international interests. HMT leads the UK delegation to the Financial Action Task Force (FATF) and draws on the expertise of relevant departments and agencies including the FCDO to inform its engagement at the FATF to achieve the Government's commitment to tackling the transnational challenge of illicit finance. The FCDO supports HMT by providing insights from UK overseas missions on relevant illicit finance developments and engaging and supporting authorities in host countries responsible for tackling illicit finance through a dedicated network of specialists.

The FCDO and HMT also work together to ensure that targeted financial sanctions are helping to dissuade corrupt actors from using the UK's financial sector to hide their illicit funds. This includes work to identify individuals for designation, as well as helping the private sector to understand their sanctions obligations.

3. Access to the Developing Countries Trading Scheme is conditional on human rights and environmental standards. What assessment has taken place to ensure eligible Central Asian Governments currently conform to these standards? What ongoing monitoring will take place to identify and respond to systematic violations of human rights conventions? What are the thresholds at which the UK Government might take action to ensure compliance?

Access to Developing Countries Trading Scheme (DCTS) Enhanced Preferences is based on economic status and the economic vulnerability of eligible countries. As part of the scheme, the Government retains the power to suspend a country's preferences on the grounds of serious and systemic violations of human rights and labour rights based on international conventions. International conventions provide a clear legal basis to inform decisions, including requirements for monitoring and reporting.

The Government believes that secure and growing trading relationships can enable open conversations with partners on a range of issues, including human rights and labour rights. At the same time, the Government is committed to working with international partners and businesses to ensure global supply chains are free from the use of modern slavery and other human rights abuses. The tools to monitor compliance may include reports from international convention bodies, reports produced by international organisations and reporting from the Government's diplomatic network. The criteria the Government may consider include the nature, scale, impact, frequency and pattern of violations.

4. How does the FCDO decide which countries will be included as priority countries in the Human Rights Report? Why is Tajikistan not on this list?

The FCDO's annual Human Rights and Democracy report covers a wide range of countries, both Human Rights Priority Countries (HRPCs) and others. In Central Asia, both Uzbekistan and Turkmenistan are currently HRPCs. Ministers and officials routinely engage on human rights, both through diplomatic representatives in London and the region.

The HRPC list is not static. While this list is generally in place for the duration of Parliament, the FCDO may review the list to ensure it reflects global developments, especially where there has been a material change in human rights circumstances. Changes in the human rights situation in a country may mean a revised approach to engagement and focus is required, and the FCDO adjusts the list accordingly.

In the case of Tajikistan, we do not shy away from raising human rights, and consistently engage the Tajik government on these issues. We are closely monitoring the deteriorating human rights situation in Tajikistan and regularly review our approach to dealing with human rights.

5. In the Queen's Speech of 2022, the Government committed to make amendments to the Modern Slavery Act to tackle forced labour in supply chains. You committed to writing to us on what amendments are deemed necessary to ensure forced labour in countries such as Turkmenistan does not feature in UK supply chains. When will these changes be put before Parliament?

The Government remains committed to strengthening the Transparency in Supply Chains (TISC) regime. These new measures, as announced in the Government response to the public TISC consultation of September 2020, will increase the quality of modern slavery statements and extend reporting to large public bodies. They will also help to increase compliance with the requirements by introducing an enforcement mechanism to fine organisations that do not comply. These measures will be considered as and when

Parliamentary time allows. The legislative programme is being filled for this Parliamentary session.

6. Please could you share more information with us on the Memorandum of Understanding signed with Kazakhstan on critical minerals? What advantages does the Government anticipate from the MOU that could not be achieved through bilateral business links?

The Memorandum of Understanding between the UK and Kazakhstan on Critical Minerals was signed by the Foreign Secretary during his visit to Astana in March 2023. The MoU's objectives are to:

- Facilitate closer cooperation on research and innovation,
- Build capacity and knowledge-sharing between the parties,
- Promote and work towards securing supply chains of Critical Minerals, encouraging investment, and commercial partnerships,
- Promote adoption of high ESG standards in the mining sector in Kazakhstan,
- Promote experience sharing and R&D collaborations between academia and industry to facilitate innovation in the supply chain.

Bilateral business links between the UK and Kazakhstan in the mining sector are already well established, particularly with UK exports to Kazakhstan in the mining supply chain. However, the critical minerals potential of Kazakhstan is still under development and is an important part of the long-term solution to security of supply. A bilateral government-to-government MoU raises the profile of this market with UK businesses who may be considering doing business in Kazakhstan for the first time - not just in the supply chain, but also in exploration, processing, technology partnerships, and education and training provision. As the UK's Critical Minerals strategy sets out, security of critical minerals supply is a strategic issue where a government-to-government signal of support for the sector can give businesses confidence to export, invest and forge new partnerships. The MoU will also help bring elements of UK expertise in other sectors, such as research and development, higher education, and skills development, together with traditional partners in the mining sector.

Yours ever,



Leo Docherty MP
Minister for Europe



Foreign Affairs Committee

From the Chair
Alicia Kearns MP

Leo Docherty MP
Parliamentary Under Secretary of State (Europe)
King Charles Street
LONDON SW1A 2AH

13 September 2023

Dear Minister,

Thank you for giving oral evidence to us on 5 September 2023 on the UK's engagement in Central Asia. Due to the pressures of time, there were a number of issues we were unable to ask and would be very grateful if you could address these in writing. You undertook to write with further information on other questions asked. These issues are set out below.

1. You referred to plans for high level visits from and to the UK to Central Asia over the next 12 months and undertook to write to us with further details on planned ministerial visits.
2. You explained the work your department helps facilitate in Kazakhstan on anti-corruption and illicit finance and undertook to provide further details of planned activities in the other Central Asian countries. In addition to this, how does the FCDO work with the Treasury, and other departments, in addressing the use of the UK financial services in the laundering of illicit finance in the City of London?
3. Access to the Developing Countries Trading Scheme is conditional on human rights and environmental standards. What assessment has taken place to ensure eligible Central Asian Governments currently conform to these standards? What ongoing monitoring will take place to identify and respond to systematic violations of human rights conventions? What are the thresholds at which the UK Government might take action to ensure compliance?
4. How does the FCDO decide which countries will be included as priority countries in the Human Rights Report? Why is Tajikistan not on this list?
5. In the Queen's Speech of 2022, the Government committed to make amendments to the Modern Slavery Act to tackle forced labour in supply chains. You committed to writing to us on what amendments are deemed necessary to ensure forced labour in countries such as Turkmenistan does not feature in UK supply chains. When will these changes be put before Parliament?
6. Please could you share more information with us on the Memorandum of Understanding signed with Kazakhstan on critical minerals? What advantages does the Government anticipate from the MOU that could not be achieved through bilateral business links?

We would appreciate your response by 13 October. We intend to place your answers in the public domain.

Yours,



ALICIA KEARNS