



# Foreign and Commonwealth Office Departmental Report and Resource Accounts

1 April 2008 – 31 March 2009

Volume One

Better World, Better Britain

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This is part of a series of departmental reports which, along with the Main Estimates 2009–10, the document *Public Expenditure: Statistical Analyses 2009*, and the Supply Estimates 2009–10: Supplementary Budgetary Information, present the Government's outturn and planned expenditure for 2009–10 and 2010–11.

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## **About this report**

The Departmental Report is a key tool in our accountability to Parliament and the public. It sets out how we are spending public funds to meet our policy and service delivery objectives — our Departmental Strategic Objectives (DSOs). The House of Commons Foreign Affairs Committee (FAC) scrutinises the FCO Departmental Report each year and calls on our Permanent Under-Secretary to give evidence on it. The FAC¹ then publishes a detailed report. The contents of this Departmental Report are in line with guidance from the Treasury to all government departments on the production of such reports.

This report summarises the FCO's performance over the financial year from April 2008 to March 2009.

The report is organised into the following four parts, divided into two volumes:

> **Volume One** consists of two parts: progress on our priorities; and an explanation of how we are changing as an organisation. Volume Two also consists of two parts: Part Three gives details of our Value for Money Programme, an assessment of our progress against our Public Service Agreement target and DSOs, and the core financial and other tables required by the Treasury in its guidance on Departmental Reports; and Part Four contains the FCO's annual Resource Accounts.

There are links to more information online throughout the report. You can find an online version of the report on the FCO website (www.fco.gov.uk).

The report bears the FCO's Plain English Campaign corporate logo to show that we are committed to Plain English Campaign principles.

The FAC report on the 2007/8 FCO Departmental Report was published on 8 February 2009.
 See www.publications.parliament.uk

## Foreword by the Foreign Secretary, David Miliband

The events of the past year have illustrated the fragility of the peace, security and prosperity that we take for granted, and underlined the importance of effective diplomacy in the 21st century.

Recent turmoil on the streets of Iran has caught the world's attention, and showed again the importance for the UK of embassies that can understand and interpret such events. Russian action in Georgia brought fears that we were reverting to an age of confrontation. The conflict in Gaza was a depressing reminder of our chronic failure to find a political solution in the Middle East. The deadly cowardice of the Mumbai attacks underlined the importance of our efforts in Pakistan and Afghanistan to tackle terrorism at source. And then the most dramatic crisis of the year: the seizing up of global financial markets, now being followed by economic recession across the world.

But it was also a year in which progress was made. In Iraq, security incidents across the country are now down to their lowest levels since 2003. Kosovo has had its first year of independent life with remarkable stability. Kenya has held onto its democracy. Bangladesh has re-established democratic government. And despite the Irish referendum result, the European Union has continued to demonstrate its global leadership role, particularly on climate change.

The Foreign Office has played an important role in each and every one of these issues, and many others. With posts in over 170 countries, we have used our global network to promote and represent British interests and values, and to promote the interests of the UK government in areas from migration to counter-terrorism and economic cooperation. The year's statistics, set out in this report, speak for themselves: we've helped generate a total additional profit of £3.6 billion for business, assisted 20,700 UK businesses to exploit overseas opportunities,

dealt with almost 2.1 million consular enquiries from British nationals and issued over 380,000 passports (both regular and emergency).

We will continue to give world-class support to British nationals and British businesses abroad. Our network of posts works for all the British government. Some of what we do will in future be done by or with other departments – the UK Border Agency now runs the overseas visa operation and the Identity and Passport Service will take over passport issuing. So the FCO will have more focus on diplomacy. Our main business will be to use our network throughout the world to reduce conflict; tackle the risks from terrorism and proliferation; promote low-carbon economic growth; and build effective international institutions.

To help us achieve this, we have also been driving forward an ambitious Change Programme: allocating more resources towards the emerging powers, empowering our ambassadors, and increasing our engagement with diaspora communities, non-governmental organisations and businesses. The logic here is simple. If we are to respond flexibly to crises and to maintain our level of service when resources are increasingly tight, we need a flexible, diverse and modern diplomatic service. And if we are to influence other countries and other societies in the 21st century, private diplomacy needs to be allied with public diplomacy.

The next year on the international stage will be just as demanding as last; perhaps more so. The FCO has a vital role to play in the response to the economic crisis – the international nature of the recession gives us particular locus, and our work

to promote trade and investment will be vital to the recovery of the UK economy. Two major summits ahead of us at the end of 2009 will draw on all our resources: the Commonwealth Heads of Government Meeting in Port of Spain in November and the climate change conference in Copenhagen in December. Before then, we await the outcome of elections in Afghanistan in August, which will be an important step in the stabilisation process in that country whose security is closely linked to our own. We will continue to work closely with the USA, EU and regional partners to make progress on the Middle East Peace Process throughout the year. We need to assemble a broad international coalition to strengthen the Non-Proliferation Treaty at its review conference in May 2010, and as part of our long-term effort to achieve a world free of such weapons. And we need to continue to address the challenge of Iran's nuclear programme.

The challenges we face in the coming year are immense. I am confident that we can make a serious contribution to tackling them, using the talents and diversity of the FCO's staff around the world. I am proud to be responsible for taking this work forward with the support of this talented and committed global organisation.

Quil Milila

The Rt Hon David Miliband MP Secretary of State for Foreign and Commonwealth Affairs





# Introduction by the Permanent Under-Secretary, Peter Ricketts

The FCO is the main source of foreign policy advice to the government. We are centrally involved in delivering the international agenda for the whole of the government overseas. We support British citizens and British business abroad. And we are in the middle of a transformation in the way we work to keep pace with a fast-changing world.

I'm proud of the achievements of the almost 15,000 staff who work for the FCO in the UK and over 170 countries overseas. I'm struck every day by the extraordinary range of activities in which FCO staff are engaged. In London, we are working with every other government department, sometimes leading policy making, and sometimes contributing to the international perspective. Our global network of posts is highly diverse. We have staff working alongside the military in Afghanistan and Iraq. We have small and isolated offices in places like Juba in Southern Sudan and Pyongyang in North Korea. We have growing embassies in dynamic economies such as China, India, South Africa and Brazil. We have reduced the size of many embassies in Europe but still expect our staff to deal with complex European Union issues. We have consulates supporting British business, serving the growing numbers of British tourists, or dealing with sudden crises like the terrorist attacks in Mumbai. And we have staff negotiating in the international organisations such as the United Nations and the European Union on a vast range of issues of importance to Britain.

The FCO's Departmental Strategic Objectives (DSOs) guide our work. Progress against these DSOs is summarised in the Executive Summary. Within them, we are constantly adjusting to new priorities. For example, in the last year we have re-orientated a lot of our work to cover the international aspects of the economic recession. We have been analysing events around the world for the government, and contributing to policy making on helping Britain's economy come through stronger. Our embassy network has helped British companies competing for business overseas. The FCO had primary responsibility for the international campaign leading up to the London Summit in April 2009. We were also responsible for organising that huge event. The FCO has also

been at the forefront of the government's work to engage with the new US administration.

We need to deliver our DSOs in a world that is changing fast, with rising public expectations and tight budgets. So the FCO is transforming the way we work and how we use all the talents of our staff. We are deploying a new, more flexible IT system, and improving our processes and cutting bureaucracy through an ambitious Corporate Services Programme. We have shifted a lot of diplomatic staff from Europe to the new centres of economic power. We are promoting a culture of One Team: integrating our local staff much more fully into our work.

Communication is essential to everything we do. We have developed a new global web platform operating in 40 languages. And we are using all the tools of the new media, from blogging to twitter, as part of more systematic campaigns to promote the British message around the world.

For the first time, our Departmental Report and Resource Accounts are being published together. This reflects the professional approach of our finance function in early closing of our annual account. It brings together in one place all the facts about what I believe has been a successful year for the FCO and its staff. I hope that you will find the following pages of interest, and urge you to keep in touch with what the FCO is doing, through our website: www.fco.gov.uk

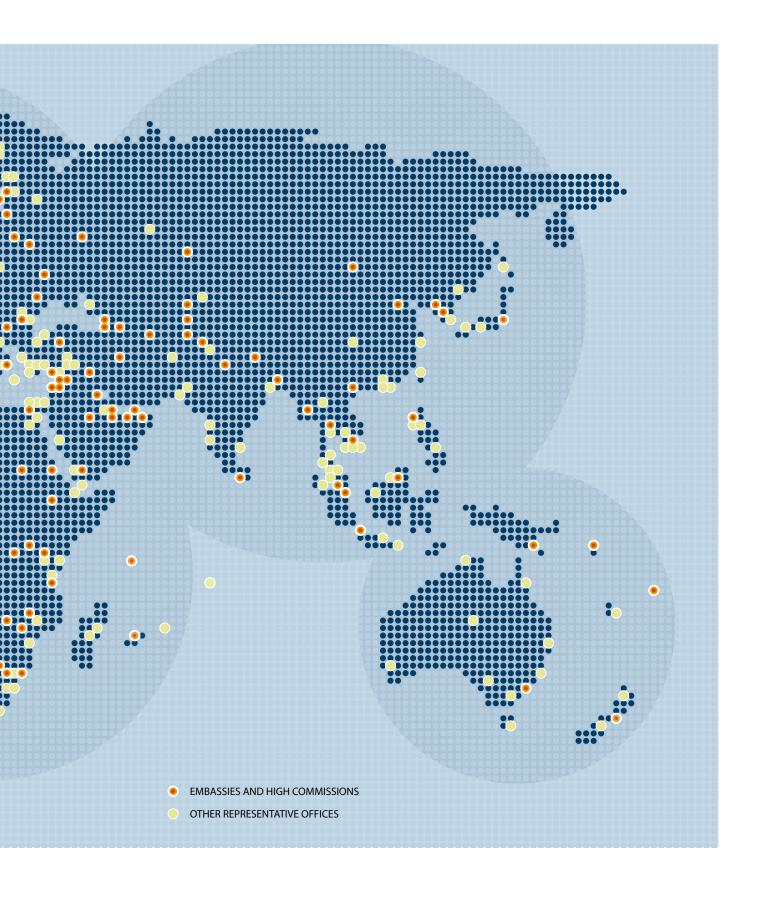
Jen Loren

**Sir Peter Ricketts KCMG**Permanent Under-Secretary
and Head of the Diplomatic Service

## Our global network



Supplied by FCO Maps and Geographical Information Service. Users should note that this map has been designed for briefing purposes only and should not be used for determining the precise location of places. © Crown Copyright 2009



## **FCO** ministers



**Rt Hon David Miliband MP**Secretary of State for Foreign and Commonwealth Affairs



**Rt Hon Lord Malloch-Brown**Minister of State for Africa,
Asia and the UN, attending
Cabinet



**Glenys Kinnock** Minister of State for Europe



**Ivan Lewis MP**Minister of State



**Chris Bryant MP**Parliamentary Under-Secretary of State



**Lord Davies of Abersoch** Minister for Trade, Investment and Business

## The FCO Board



**Peter Ricketts**Permanent Under-Secretary (Chairman)



Alistair Johnston Nonexecutive; Global Vice Chairman, KPMG



Alison
Platt
Nonexecutive;
Group
Development
Director,
BUPA



**Nick Baird**DirectorGeneral
Europe and
Globalisation



Mariot Leslie Director-General Defence and Intelligence



Mark Lyall Grant Director-General Political



**Tony Mather**Chief
Information
Officer



James Bevan Director-General Change and Delivery



Keith Luck Director-General Finance



Andrew
Cahn
Chief
Executive,
UK Trade &
Investment

## **Organisations funded by the FCO**



BBC World Service is funded by the UK government through Parliamentary grant-in-aid. The Parliamentary grant-in-aid is administered by the FCO. BBC World Service is the world's leading international broadcaster, providing programmes and content for radio, television, online and mobile phones in English and 31 other languages. Hundreds of reporters and specialist correspondents provide impartial news reports, documentaries and analysis from around the world.



**Wilton Park** is an academically independent executive agency of the FCO. It brings together decision-makers and opinion-formers from around the world to address the most pressing global issues.



The **British Council** is funded by FCO grant-inaid. It builds relationships between the UK and other countries that are mutually beneficial, and increases appreciation of the UK's creative ideas and achievements around the world.

## **Executive summary: highlights of the year**

## A flexible global network serving the whole of the British government

Departmental Strategic Objective 1

- We run a global network of posts in more than 170 countries: 140 embassies and high commissions, 102 consulates and other posts outside capital cities, an extensive network of honorary consuls, plus governors and other representatives in the UK's Overseas Territories, and 21 delegations and representatives at international organisations (the United Nations (UN), European Union (EU), North Atlantic Treaty Organisation (NATO), etc).
- We employ a total of 14,900 staff: 2,600 in the UK and 12,300 around the world. Many of our posts abroad also have staff from Whitehall partners.

### **Supporting the British economy**

Departmental Strategic Objective 2

- > The FCO's jointly-managed organisation, UK Trade & Investment (UKTI), significantly assisted 20,700 companies to exploit opportunities in overseas markets. As a result of this support, more than 10,500 companies improved their performance. Across all trade services, total estimated additional profits for UK-based businesses attributed to UKTI support was £3.6 billion. UKTI also achieved 600 inward investment project successes into the UK, which maintained our position as the number one inward investment destination in Europe.
- Responsibility for defence export support transferred from the Ministry of Defence

➤ UKTI helped 20,700 companies exploit overseas opportunities, generating over £3.6 billion additional profit <</p> ➤ We helped 2.1 million British nationals around the world, including dealing with 7,000 detentions, 5,500 deaths and 3,100 hospitalisations <</p>

to UKTI Defence and Security Organisation (UKTI DSO) in April 2008. UKTI DSO now has access to UKTI's global network of staff based in 98 overseas markets.

- The recently created Business Ambassadors' Network will work with the government to promote the UK's excellence and to support the success of UK business in overseas markets, focusing on helping small and medium-sized enterprises.
- As part of the government's Manufacturing Strategy, UKTI provided about £1 million of funding to help UK companies of all sizes access manufacturing value-chain opportunities in India and China. The target is to help 600 businesses to access opportunities through this new initiative.

### **Supporting British nationals abroad**

Departmental Strategic Objective 3

- We helped 2.1 million British nationals around the world, including dealing with over 5,500 deaths, more than 3,100 hospitalisations and nearly 7,000 detentions. We issued over 380,000 passports, including more than 9,000 emergency passports.
- The Home Office agreed to the FCO's proposals to merge the passport operations of the FCO and the Identity and Passport Service to create a single, high-quality, secure and effective passport operation for British nationals in the UK and across the globe in 2011.

- The joint FCO/Home Office Forced Marriage Unit dealt with 213 assistance cases in 2008, often involving direct overseas action and rescue.
- Our Child Abduction Unit helped with 196 new parental child abduction cases in 2008/9. It also continued to provide help on cases opened in previous years.
- Our rapid deployment team was sent out to emergency consular crises, including the aftermath of the China earthquake, during the Russia–Georgia conflict, during Hurricanes Gustav and Ike, and during the Mumbai terrorist attacks.
- We helped British nationals to help themselves via our online Travel Advice website for 220 countries and territories. The website received more than 4.8 million hits in 2008/9. Media coverage of the Know-Before-You-Go campaign reached 64% of all UK adults on average 29 times.
- We issued more than 370,000 legalisation documents at our Legalisation Office in the UK.
- A new management information system went live in April 2008. The FCO is now better able to deploy its resources flexibly and efficiently in response to the changing needs of British nationals overseas.

>> The FCO helped the UK Border Agency return 5,000 foreign criminals and 11,500 failed asylum-seekers <<

### **Supporting managed migration for Britain**

Departmental Strategic Objective 4

FCO engagement with a range of overseas governments helped the UK Border Agency

- (UKBA) secure the return of over 5,000 foreign criminals<sup>2</sup> and over 11,500 failed asylum-seekers<sup>3</sup> in 2008.
- We supported UKBA's overseas visa operations. Our overseas network of posts issued almost 2 million visas welcoming business travellers, students, tourists and skilled workers to the UK. Nearly 500,000 visas were refused because applicants did not meet the relevant entry requirements.
- Via the FCO-managed Returns and Reintegration Fund, we have established projects in 34 countries. These are helping to increase the volume of foreign national prisoners and failed asylum-seekers whom the UK returns to their country of origin, as well as tackling illegal intake.
- We worked with UKBA to implement the Visa Waiver Test. Five new visa regimes were introduced in the first half of 2009, strengthening UK borders.
- > We worked with the French presidency of the EU to ensure that the new EU Migration Pact reflected UK priorities.
- We facilitated the transition of the former UKvisas organisation into UKBA's new International Group, thereby ensuring a more effective visa control system while retaining strong FCO/UKBA links.

## Countering terrorism and weapons proliferation and their causes

Departmental Strategic Objective 5

> The FCO significantly enhanced its efforts to prevent violent extremism, launching a

- 2 This figure is based on management information. It has not been quality-assured under Office for National Statistics protocols. It is subject to change and should be treated as provisional.
- 3 This figure is provisional. Removals and voluntary departures are recorded on the system as at the dates on which the data extracts were taken. All figures relating to January 2007 onwards remain provisional and subject to change.

- range of new programmes overseas, as well as driving forward an ambitious outreach programme at home and abroad, spearheaded by Foreign Secretary David Miliband.
- The FCO stepped up efforts to support Pakistan in tackling the shared threat from terrorism, with a £10 million package designed to build capacity to disrupt terrorists and their networks, as well as address the root causes of radicalisation.
- > UK leadership helped secure the Convention on Cluster Munitions, which Foreign Secretary David Miliband signed in Oslo in December 2008.
- The FCO helped to bring an Arms Trade Treaty closer to reality, when our co-sponsored UN resolution was adopted in 2008.
- The UK hosted the FCO-funded London International Nuclear Fuel Cycle Conference in March 2009, attended by representatives of over 37 states, non-governmental organisations and industry. Addressed by Prime Minister Gordon Brown, Foreign Secretary David Miliband and Secretary of State for Energy and Climate Change Ed Miliband, it reinforced the UK's commitment to furthering the dialogue between existing and potential civil nuclear states.

### Preventing and resolving conflict

Departmental Strategic Objective 6

The FCO led the government's civilian contribution to delivering stability in Afghanistan, which has seen a doubling in size since 2007 of the embassy in Kabul, under a senior ambassador, and deployment of a senior FCO diplomat to head a civilian military mission to Helmand. This has resulted in the expansion

>>> UK leadership helped secure the Convention on Cluster Munitions <<

## >>> FCO staff are working on the front line in Kabul, Lashkar Gah, Baghdad and Basra <<

of Afghan government control to the district centres of Musa Qala, Garmsir and Nadi Ali.

- > Iran represents a critical proliferation threat and one of the most urgent foreign policy challenges. The FCO has played a prominent role on Iran as a member of the E3+3 (UK, France, Germany, USA, Russia and China plus the EU). This involved putting pressure on Iran to be transparent about the nature of its nuclear programme and allay the concerns of the international community.
- > FCO staff were at the heart of the UK's efforts to promote stability, improved governance and economic development in Iraq as part of what Prime Minister Gordon Brown called "our enduring bilateral relationship with a democratic Iraq".
- > The FCO worked to prevent and reduce international conflict through the work of its staff on the front line in Kabul, Lashkar Gah, Baghdad, Basra and in many other areas of conflict, including over 350 projects worth a total of £112 million, for example to support peace in Somalia and access to justice in Sri Lanka.
- > The FCO took a leading role in negotiations leading to the launch, in December 2008, of EU Operation Atalanta to tackle piracy off the coast of Somalia, led by a British Rear Admiral from the UK's multinational operational headquarters in Northwood.
- The FCO was heavily involved in planning and negotiating the EU's Monitoring Mission in Georgia, launched in October 2008, the deployment of which was crucial in establishing a durable ceasefire.



## Promoting a low-carbon, high-growth, global economy

Departmental Strategic Objective 7

- > The FCO helped to secure an ambitious deal at the December 2008 European Council, including EU leaders agreeing up to 9 billion euros from the EU Emissions Trading Scheme to fund up to 12 carbon capture and storage demonstration plants in the EU by 2015.
- > By the end of December 2008, the FCO built consensus within the EU on Low Carbon Development Zones in China.
- > There is now increasing international recognition that low-carbon recovery must be part of the response to the global economic crisis and of the importance of getting a deal at the Copenhagen conference in December 2009. Our network of posts stimulated and supported action through the World Economic Forum in Davos in January 2009, including the launch of the Low Carbon Prosperity Task Force which reported ahead of the London Summit in April 2009 on growth, jobs and stability.
- The FCO worked closely with the EU Commission and other EU member states to ensure that the EU Strategic Energy Review, published in November 2008, contained ambitious but realistic objectives.
- Our posts secured high-level attendance at the successful London Energy Meeting in December 2008. This agreed a range of measures to help promote stability in the oil market.
- The FCO mounted a global campaign for agreement at the April 2009 London Summit on an ambitious set of measures to set the direction for the global economic recovery.
- The UN High Level Event on Millennium Development Goals (MDGs), in September 2008, delivered some US\$17.5 billion in new aid commitments. A joint FCO and Department for International Development effort used the FCO network of posts to build international political support for the MDGs, encourage

>> The FCO's work on tackling climate change included securing a high-ambition deal on the EU Emissions

Trading Scheme <<

attendance at the UN High Level Event and press the need for the new aid pledges made at the event.

## Developing effective international institutions, above all the United Nations and European Union

Departmental Strategic Objective 8

- > The FCO organised a successful Global Europe Conference in December 2008, chaired by Prime Minister Gordon Brown, to discuss economic challenges and underline the importance of coherent policy actions to address them. This led to agreement with President Sarkozy of France and European Commission President Barroso on the need for continued EU macroeconomic cooperation in response to the economic and financial crisis.
- The FCO co-funded and set up the Commonwealth Mini-Summit on International Institutional Reform in June 2008. This was co-chaired by Prime Minister Gordon Brown and brought together 11 heads of government. The summit issued the Marlborough House Statement on International Institutional Reform (IIR). The summit and statement were the first real actions taken by any international organisation on the IIR agenda.
- The FCO continues to work in support of the international tribunals. Two of four outstanding fugitives – notably Radovan Karadžić – were captured and handed over to the International

Criminal Tribunal for the former Yugoslavia (ICTY) and put on trial in January 2009. The UK contributes financially to the ICTY and gives it practical support through bilateral sentence enforcement and witness protection agreements. The UK has provided a significant amount of information and evidence to the tribunal in order to help it put together cases against those accused. The UK has also taken a firm line within the EU during discussions on Serbian accession, ensuring that it remains conditional on Serbian cooperation with the ICTY.

- In May 2008, the FCO secured the UK's re-election to the UN Human Rights Council for a further three years.
- > FCO lobbying led to the successful election of Sir Christopher Greenwood to the International Court of Justice in November 2008.
- > In 2008, the FCO successfully maintained a Zero Real Growth budget (ie inflation-only increase) for the Council of Europe.





# Part One Progress on our priorities

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# A flexible global network serving the whole of the British government

The FCO's global network of diplomatic posts helped make Britain influential abroad and safer and more prosperous at home.

In 2008/9, FCO staff around the world helped generate £3.6 billion of business for UK companies. They helped many hundreds of British nationals caught up in events abroad, including the terrorist attacks in Mumbai and the earthquake in China, and supported Team GB and the many UK visitors to the Olympic and Paralympic Games in Beijing. Our posts also worked with the UK Border Agency (UKBA) to control the movement to Britain of the 7.5 million foreign nationals who come to our shores each year.

Our posts around the world played an active role, often behind the scenes, in international efforts to counter terrorism. Our staff helped lead the fight against the proliferation of weapons of mass destruction, with Iran a focus during much of the year. Our diplomats and our posts were closely involved in efforts to end the conflicts in Gaza, Georgia and Darfur and to promote peaceful democratic change in Zimbabwe. Staff at our embassy in Iraq played a key role in supporting the country's stabilisation, allowing the reduction of UK and international troop levels. In Ghana, our support for the democratic process helped ensure peaceful and successful presidential elections.

Our embassy in Washington established a strong early working relationship with the new US administration. Ministers and FCO staff worked closely with President Obama and his new team in efforts to reach a new global deal on climate change and, with the international financial institutions and others, to tackle the global economic crisis.

In the UK's Overseas Territories, our governors, other representatives and their staff worked to ensure prosperity and good governance. In the Turks and Caicos Islands, our staff also helped lead recovery efforts after the devastation of Hurricane Ike.

The year saw redoubled efforts by the FCO and its Whitehall partners to work together to deliver better for Britain. In Afghanistan, the FCO, the Ministry of Defence (MOD), the Department for International Development (DfID) and other Whitehall partners ran a joint effort to build stability and economic development. The FCO was equally active in efforts to support democracy and to counter terrorism and extremism in Pakistan. The exemplary joint work of FCO, DfID and MOD staff in seeking to end the conflict and tackle the humanitarian crisis in the Democratic Republic of Congo was recognised with the Joined-Up Government Award at the 2008 Whitehall and Westminster World Civil Service Awards.



Prime Minister Gordon Brown visited the Bird's Nest Stadium, Beijing

### A flexible global network for the whole of the British government

The FCO's network of overseas posts exists to serve the whole of the British government and the British people.

While our posts share a common purpose, they are very different in size and working conditions.

We operate in all environments, from the major cities of the industrialised world to the difficult and sometimes dangerous front line of Lashkar Gah (Afghanistan) or Basra (Iraq), and the extreme isolation of Pyongyang (North Korea) or Ulan Bator (Mongolia).

In large countries, such as India or China, FCO staff work alongside partners from many other UK government departments to deliver together for Britain. Some small posts, such as Asmara (Eritrea) or the Turks and Caicos Islands, are staffed entirely from the FCO.

We are constantly seeking to improve our global network. In 2008/9, we moved many diplomatic staff to align the network more closely with our new objectives, taking a significant proportion of our staff out of Europe and into Asia, Africa and the Middle East. We are looking for ways to be present globally at lower cost. The Nordic-Baltic Network is a pilot scheme in which one larger embassy (Stockholm) provides policy and administrative support to five much smaller embassies in the region. Our high commission in Pretoria, in addition to the full range of work it does in South Africa itself, also provides political, developmental, consular, trade and visa services in several neighbouring countries.

We are investing in new buildings, particularly to provide better security for our staff.

In 2008/9, we opened new buildings in Colombo, Harare, Ibiza, Manila, Mumbai, Podgorica and Portimão; and in the UK, a new information and communication technology (ICT) building on our site at Hanslope Park, and a new Legalisation Office in Milton Keynes.

We are seeking to make the FCO's estate, at home and abroad, much greener: one example is the new ICT building at Hanslope Park, which generates much of its own hot water through solar power and uses shading to minimise heat gain from the sun. Overseas, our office in Mumbai has a system for recycling sewage to provide clean water for the air conditioning; while the high commission in Colombo has a glass roof which, when opened, creates a thermal chimney inducing airflow and so reducing the need for air conditioning.

To improve our communication and knowledge management, we are investing in a new generation of computer technology, our new F3G system, which began roll-out to posts in early 2009. And we are experimenting with new forms of overseas representation, from laptop diplomats to virtual diplomacy.

We are committed to ensuring that the global network delivers for the whole of the British government. We reached agreement in 2008/9 on new arrangements covering staff from other Whitehall departments working in our posts. UKBA, DfID and the MOD are among those with the largest numbers of staff abroad, but many other departments now have employees in our posts.

When asked how FCO posts contribute successfully to the government's international policies, stakeholders cite their skills in lobbying, analysing and providing intelligence, 'opening doors' and influencing at a local level ≪

Independent survey of Whitehall departments, June 2008

### **Lessons learned:** Flexing our employee network

We made a significant shift in our global footprint in 2008/9, moving well over 100 diplomats from Europe and elsewhere to Asia and other parts of the world. This was the first time we had sought to transfer such significant numbers of staff from one region to another.

We learned a series of lessons:

- We cannot always create in one part of the world the same number of jobs we cut in another, as it costs much more to have staff in some parts of the world (eg Afghanistan) than it does in others (eg Europe).
- We cannot move most of our staff instantly: most have partners, families and other considerations, so we have given ourselves a year to complete the shift.

- We cannot guarantee staff whose jobs are being cut an immediate appointment to a new job: we run a jobs market, and it sometimes takes time for staff to find new jobs elsewhere in the network (though almost all now have).
- > We found that those in charge of delivering the new priorities chose to create some policy jobs in the UK as well as new jobs overseas: so, overall, we created slightly fewer jobs abroad than we had anticipated.

But the biggest lesson we learned was that this was the right thing to do. It has helped position our staff where we need them to deliver our current and future priorities. We will keep the global network under regular review, and make further shifts if circumstances warrant.





### A year in the life of the British Embassy Beijing

2008 was a big year for the embassy and UK consulates in China, with a triumph and a tragedy.

The Olympic and Paralympic Games were huge operations. The performances of Team GB and Paralympics GB were inspirational. The embassy ran a round-the-clock consular operation for British tourists visiting the Games, helped the teams secure accommodation closer to some venues, supported London's promotional activities as the next host, and ran seven ministerial and royal visits, including by Prime Minister Gordon Brown.

The Sichuan earthquake in May 2008 was a tragic event. DflD's Beijing office provided financial assistance within 24 hours, and sourced desperately needed tents. Our consulate in Chongqing worked hard to locate over 500 British nationals reported missing. In Beijing, the embassy ran a 24-hour helpline. We managed to locate everyone, and get those who had been caught in the worst areas to safety – including a group of tourists trapped in a panda reserve close to the epicentre. We continue to work with the local authorities on reconstruction: British business in China has raised over £20 million to help, and DflD is providing technical assistance.

The rest of the year was packed on every front. Our UK Trade & Investment (UKTI) team in China helped promote British business and Chinese inward investment: China is now our largest trading partner outside the European Union and the USA, and we are China's largest European investor. The embassy's political staff

worked closely with the Chinese government on international issues: we are both permanent members of the UN Security Council, and constantly do business together on major foreign policy issues around the world, from North Korea to Africa.

Our science and innovation staff worked closely with the Chinese: we now publish more joint research papers with Chinese scientists than any other country except the USA. Our climate change team worked with the Chinese government and other stakeholders across the country on this fundamental issue.

Our consular team provided help to British nationals: more than 500,000 people from the UK now visit China annually. Staff in our visa operation, now one of the biggest in the world, helped manage migration for Britain: there are now more than 60,000 Chinese students studying in the UK – the largest foreign student total from anywhere in the world.

It already looks as busy in 2009. China will be critical for global economic recovery: we are working closely together. Both senior Chinese leaders, Premier Wen Jiabao and President Hu Jintao, visited the UK in the first three months of 2009. China will be a central player in the run-up to the Copenhagen conference on climate change in December 2009. In January 2009, Foreign Secretary David Miliband published our strategy towards China, the first time we have ever made a country strategy public. We did this because the China relationship now affects all of us.

## **Supporting the British economy**



Trade and foreign direct investments play a fundamental part in the success of the British economy. Exports represent 29% (£414 billion) of the UK's Gross Domestic Product (GDP) and exporters contribute over 60% of productivity growth. The financial stock of inward investment in 2008 was worth US\$1.347 trillion. UKTI achieved 600 inward investment project successes, making the UK the leading European Union destination for inward investment and second globally to the USA.

Of course, 2009 will be a challenging year globally, but I believe that our support in helping UK companies export, and attracting high-quality foreign direct investment to the UK, will play a key part in leading the economy successfully out of the recession.

UK Trade & Investment's (UKTI's) latest annual survey<sup>4</sup> figures show we significantly assisted some 20,700 companies to exploit opportunities in overseas markets. As a result of this support, more than 10,500 companies improved their performance. The survey also estimates total additional profits for UK-based businesses of around £3.6 billion across all UKTI trade services. This is an impressive return on our total investment: every £1 that UKTI spends on trade services generates £16 of benefits for companies, demonstrating excellent value for money.

Prime Minister Gordon Brown has said that the global problems we face require global solutions. As the Minister for Trade, Investment and Business, I am strongly committed to championing the UK's trade and investment success both overseas and in the UK.

I am acutely aware of the importance of this work to the British economy and am confident that UKTI will deliver the support needed for UK business to rise to the significant challenges in the year ahead. I look forward to playing my part in making this a reality.

F. Mervyn Javies

**Lord Davies of Abersoch**Minister for Trade, Investment and Business



### **UKTI**: the organisation

UKTI is the government organisation that helps UK-based companies to succeed in an increasingly competitive global economy. It provides companies with knowledge, advice and practical support through a network of international specialists across nine English regions, in British embassies and other diplomatic posts around the world, while also working with the trade promotion and inward investment organisations in the devolved administrations. UKTI also helps overseas companies bring high-quality investment to the UK's vibrant economy – acknowledged as Europe's best place from which to succeed in global business.

UKTI has the lead role within government for delivering trade development and inward investment services for business. It is a joint organisation of the FCO and the Department for Business, Innovation and Skills (BIS) and consequently shares its Departmental Strategic Objective targets with its parent departments. It delivers on their behalf through staff mainly employed by either the FCO or BIS. UKTI's funding and human resources reflect this framework.

UKTI works closely with a number of public sector partners, including the nine English Regional Development Agencies, the trade promotion and inward investment organisations in the devolved administrations, and other government departments and agencies.

UKTI also works with private sector bodies and now has a newly enlarged network of over 50 private sector specialists, who provide knowledge, expertise and contacts to help UKTI deliver its strategy.

### **UKTI's mission and strategy**

UKTI's mission is to deliver maximum value for the UK's business sector in the global economy. It does this by helping UK businesses, large and small, to succeed internationally and by helping overseas companies to bring high-quality investment to the UK economy.

UKTI's five-year strategy, *Prosperity in a Changing World*,<sup>5</sup> published in July 2006, continues to guide the overall direction and focus for UKTI. The strategy committed UKTI to be more customerfocused, marketing-led and performancedriven. In the current economic climate, UKTI has an increasingly vital role in stimulating the UK economy, working in partnership across government and with business to deliver sustainable export and inward investment growth.

UKTI's 2007 Comprehensive Spending Review settlement (which covers the period 2008/9 to 2010/11) confirmed the targets outlined in the strategy for each year of the settlement.

More details of UKTI's progress against its targets and objectives can be found in its own Annual Report and Accounts, which will be published on the UKTI website<sup>6</sup> in July 2009.

### **New developments**

### **Business ambassadors**

In October 2008, Prime Minister Gordon Brown invited 17 key business and academic leaders to become business ambassadors. The aim of the Business Ambassadors' Network is to work with government to promote the UK's excellence internationally and highlight trade and inward investment opportunities. The business

<sup>5</sup> See www.uktradeinvest.gov.uk/ukti/fileDownload/ UKTIStrategyJuly2006.pdf?cid=391741

<sup>6</sup> See www.uktradeinvest.gov.uk

≫This partnership with Newcastle University came about largely thanks to UK Trade & Investment and all the people they introduced us to. Without this help, we would have had to spend a huge amount of time and expense trying to obtain all the required information on stem cell therapeutics and possible business partners in the UK. My advice to any other companies considering investing in the UK is to contact UK Trade & Investment and follow their guide ≪

Jeong-Chan Ra, Chief Executive Officer of RNLBio, a biotechnology company for stem cell therapy based in South Korea which set up a Research and Development headquarters in Newcastle to serve its European clients ambassadors will particularly focus on helping small businesses. In the current challenging economic climate, the business expertise and international experience of the business ambassadors will provide vital support to UK business interests in global markets. UKTI is responsible for delivering this joint FCO–BIS initiative and for providing dedicated secretariat support to the business ambassadors.

The 2009 business ambassadors' programme is under way. There have already been a number of successful events. These include the following:

- In Dubai, Digby, Lord Jones of Birmingham led the largest-ever UKTI mission to the region.
- In Melbourne and Sydney, Paul Skinner,
   Chairman of Rio Tinto, spoke to over 400
   British and Australian business representatives.
- In Copenhagen, Dr John Hood, Vice-Chancellor of the University of Oxford, chaired and addressed the UK–Nordic oncology conference.

### **Contribution to the Manufacturing Strategy**

As part of the government's Manufacturing Strategy, a new £1 million package of UKTI support was announced in September 2008 to help UK companies access global value-chain opportunities. Four sector specialists — covering life sciences, information and communication technology (ICT), advanced engineering, and energy — will focus on opportunities in China and India. Together they will help some 400 small to medium sized enterprises (SMEs) to access value-chain opportunities in these markets. In addition, two specialists — one on earthquake reconstruction and one on China's Sustainable Cities initiative — will help some 200 UK SMEs into supply chains in China.

### Marketing strategies<sup>7</sup>

A major development this year was the launch of two further marketing strategies which promote the UK as the leading partner of choice, covering low-carbon business and advanced engineering. This is in addition to UKTI marketing strategies across five specific sectors (ICT, life sciences, energy technologies, financial services and creative industries).

### Support for defence exports

In April 2008, UKTI took on responsibility for defence export support, which was transferred from the Ministry of Defence (MOD) to UKTI Defence and Security Organisation (UKTI DSO). UKTI DSO helps the UK defence and security sectors succeed internationally. With the continued support of the MOD, UKTI DSO will continue to deliver the essential government-to-government dimension to company-led marketing campaigns, in pursuit of maintaining the UK's strong position in the global defence export market.

Bringing support under the umbrella of UKTI has enhanced UKTI DSO's efforts on behalf of the defence sector, extending our reach and impact. For example, UKTI DSO now has access to UKTI's global network of staff based in 98 overseas markets. Feedback from industry groups about the new arrangements has been overwhelmingly positive:

>> We are pleased to be working with UKTI's Security Directorate to help UK companies promote their globally renowned expertise to the continually expanding international security market <<

**British Security Industry Association** 

### 7 See www.uktradeinvest.gov.uk for more details on the marketing strategies.

#### **UKTI** services<sup>8</sup>

UKTI operates the UKTI Enquiry Service as a first point of contact for customers and for dealing with enquiries relating to UKTI's services. In 2008/9, this service dealt with more than 35,000 telephone calls and emails.

UKTI offers services to all eligible companies seeking help in overseas markets where there is an UKTI presence. Since April 2008, UKTI has provided trade development services in 98 markets and 160 locations, covering countries that contribute in excess of 98% of global GDP.

UKTI focuses on helping SMEs do business in international markets. It gives them help in accessing new markets, and information about opportunities or specific products or services in particular overseas markets.

In order to best provide this support, UKTI organises its products and service portfolio under three headings:

- > developing international trade potential
- accessing international markets and
- > maximising foreign direct investment.

### **Developing international trade potential**

> **Passport to Export:** This provides access to a range of services to help build capabilities in companies new to exporting, to help them prepare to do business internationally for the first time and to take advantage of available opportunities in their first overseas market.

See www.uktradeinvest.gov.uk/ukti/appmanager/ukti/ ourservices?\_nfls=false&\_nfpb=true for an overview of the whole range of services offered by UKTI. UKTI services will also be found in the UKTI Departmental Report and Accounts, which will be published in July 2009 on the UKTI website.

- Sateway to Global Growth: This is a new package which will help experienced exporters diversify into new overseas markets, focusing on innovative SMEs with two to ten years' export experience.
- The Sector Champions' Programme: These are 20 specialists who provide sectoral and technical input for trade and inward investment activities.
- > **Export Communications Review:** This scheme is delivered by the British Chamber of Commerce and provides advice on export communications issues.

## **Accessing international markets**

- Programme was superseded by the Fiscal Compass Programme in February 2009 as part of a package of measures to help UK-based companies during the global economic downturn. The new Fiscal Compass Programme aims to help UK-based companies capitalise on opportunities arising from other countries' new fiscal stimulus packages or other spending mechanisms, such as sovereign wealth funds.
- > The Overseas Market Introduction Service: This service, for which a charge is levied, is a bespoke service that provides companies with tailored research and contacts for their chosen market(s). It can also provide focused business advice and support with events and visits.
- > The **Tradeshow Access Programme:**This service supports companies taking part in overseas exhibitions. It is available to SMEs new to exporting and to more established exporters attending events in high-growth markets.
- > The **Export Marketing Research Scheme:** The export marketing research advisers provide advice to companies on how to

- conduct export marketing research. The scheme also offers part-funding for eligible research projects.
- A range of sector-specific inward and outward missions: These inward missions bring groups of buyers and key decision-makers from target markets abroad to visit the UK and show them the UK in action. Outward missions showcase UK expertise in target markets overseas. UKTI also arranges outward and inward VIP visits.
- VKTI DSO: With the continued support of the MOD, UKTI DSO helps the UK defence and security sectors succeed internationally.

## Maximising foreign direct investment

Inward investment activities provide a free, bespoke and confidential service to potential inward investors on a range of issues. The service includes the following programmes:

- > The **UKTI Research and Development Programme** is part of the government's commitment to increasing research and development as a proportion of GDP from 1.7% to 2.4% by 2014 (Science and Innovation White Paper, 2004). It has three strands, the largest of which is concerned with encouraging inward activity.
- > The **Global Entrepreneurs' Programme:**This existing UKTI programme seeks to enable entrepreneur-led, technology-based businesses from all over the world to globalise their businesses from a UK hub.

More detailed information about all aspects of UKTI and the range of services it provides can be found in its own Annual Report and Accounts, which will be published on the UKTI website in July 2009.

## Chinese Premier's visit to Britain in January/February 2009

## Prime Minister Gordon Brown called for rapid growth in UK-China trade

Prime Minister Gordon Brown and Chinese Premier Wen Jiabao have pledged to strengthen business ties between Britain and China, building on the rapid growth in bilateral trade in the past year in which UK exports rose by almost a third. The two leaders addressed more than 400 British and Chinese business representatives at the UK—China Business Summit, jointly arranged by UKTI, the China—Britain Business Council and the China Council for the Promotion of International Trade.

## **Agreements**

Britain and China signed a memorandum of understanding committing both countries to work together to highlight opportunities for UK business outside the traditional centres of Beijing, Hong Kong and Shanghai and to look towards other fast-growing regions such as the west and north-east of China.

UK exports to China were worth £4.87 billion in 2008, up 29% from the 2007 figure of

£3.78 billion. UK imports of goods from China were worth £21.97 billion in 2008, up 17% from the 2007 figure of £18.79 billion.

➤ Exports to China from Britain in 2008 approached £5 billion. By 2010, despite the adverse conditions in the world economy, we will work to achieve £10 billion of exports. The strength of the relationship between China and Britain will be a pivotal force in helping us through the downturn and a powerful driving force behind our future growth and prosperity <</p>

Prime Minister Gordon Brown

➤ China is a vital engine in the global economy, projected to account for more than US\$2 trillion of global imports and exports in 2010. Today's business summit is recognition of China's central place in our economic present and future <</p>

Lord Mandelson, Secretary of State for Business, Innovation and Skills, who attended the summit

## **Cost-benefit analysis**

UKTI places strong emphasis on independent scrutiny of its activities. This includes commissioning studies within particular areas of work that UKTI does and assessing the value for money that this represents for the taxpayer.

Independent customer research for 2008/9, where customers were asked what benefit,

if any, was attributable in their view to UKTI's help, shows that on average UKTI trade services generate an estimated 16:1 benefit to cost ratio. In other words, **every £1 that UKTI spends generates £16 of benefits**, demonstrating excellent value for money.

## **Supporting British nationals abroad**



In 2008/9, the FCO's Know-Before-You-Go campaign was seen by 29 million people. The whole idea is to help travellers prepare for a safe and enjoyable trip. In 2008, UK residents made over 68.5 million foreign trips. Occasionally some things do go wrong — and that's when they can call on the FCO's 2,000 consular staff for help, whether they are caught up in a natural disaster,

hospitalised or injured overseas, or affected by crime.

In 2008/9, the FCO's consular team helped British nationals at the Olympic and Paralympic Games in China; helped in the aftermath of the terrorist attacks in Mumbai; protected victims and potential victims of forced marriages; issued over 380,000 regular and emergency passports; and provided many other services. In recent years there has been a change in the travelling habits of British nationals. We are travelling to more remote destinations, taking more weekend breaks and engaging in a greater range of activities abroad than ever before. The FCO continues to use innovative thinking and new technologies to meet these new challenges and ensure that we keep delivering the best possible service to the British public.

**Chris Bryant MP** 

his Eyant

Parliamentary Under-Secretary of State

## The challenges

In 2008/9, FCO consular staff:

- dealt with almost 2.1 million enquiries from British nationals, over 5,500 deaths, over 3,100 hospitalisations, and nearly 7,000 detentions
- issued over 380,000 passports, which included more than 9,000 emergency passports and 1,800 temporary ones and
- issued more than 370,000 legalisation documents at its Legalisation Office in the UK.

In a typical week during the summer period, consular staff in Alicante, a popular destination for British holidaymakers in Spain, deal with 25 detentions, ten deaths and two hospitalisations, issue 50 emergency passports and attend to 120 visitors to the consulate.

Forced marriage, child abduction and death penalty cases are among the most harrowing consular cases that the FCO deals with. The scale of the issues is clear: in April 2009, the FCO was aware of just under 2,500 British nationals detained overseas, of whom 26 were on death row or facing charges attracting the death penalty. In 2008, the joint FCO/Home Office Forced Marriage Unit (FMU) received 1,600 reportings of possible forced marriage. In 2008/9, the FCO's Child Abduction Unit provided assistance on 196 new parental child abduction cases. It also continued to provide help on cases opened in previous years.

Despite these challenges, the FCO has made progress in dealing with all three areas (forced marriage, child abduction and death penalty cases). The sentence of a British national facing the death penalty in Vietnam was commuted to life imprisonment, and another British national on death row in Malaysia was released after his conviction was overturned. In 2008, the FMU dealt with 213 consular assistance cases, often

involving direct action overseas and rescues, and 207 cases where a victim was being forced to sponsor a visa against their will. The FCO also agreed to operate the Hague Convention with three recent signatory countries, which will help to secure the return of children taken overseas by one parent without the agreement of the other.

## Dealing with crises and being prepared

In 2008/9, the FCO responded to 11 consular crises. In May, following the earthquake in China, our London-based Emergency Response Team handled telephone calls from family and friends regarding over 500 British nationals who might have been involved. Rapid deployment teams (RDTs) from Hong Kong and London travelled to the area to locate and assist British nationals. In August, during the Russia-Georgia conflict, two RDTs were sent from London to carry out an assisted departure of British nationals from Georgia to Armenia. In November, an RDT arrived within hours in Mumbai in response to the terrorist attacks, and family liaison arrangements were provided to British victims and survivors on their return to the UK.

During the 2008 summer hurricane season, the US and London RDTs and embassy staff in the FCO network coordinated effectively to deliver consular support to British nationals, particularly in response to Hurricanes Gustav (Louisiana and New Orleans) and Ike (Cuba and the Caribbean).

The British Embassy Beijing mobilised to provide support, if necessary, to the many thousands of British people who visited the Beijing Olympic and Paralympic Games in 2008. In the run-up to the Olympics, the embassy's consular team was bolstered by staff from London, Shanghai and Guangzhou. The embassy's emergency plans were revamped and tested. And it engaged in even closer cooperation with the US, Australian, New Zealand and Irish embassies, to ensure that

it was up to speed on any new types of consular cases. Just prior to the start of the Olympics, the embassy team set up a 24/7 operations centre to deal with contingencies.

## **Keeping British nationals informed**

FCO Travel Advice is one of the FCO's key tools for communicating with the British public during and, where possible, in the run-up to a crisis. In 2008/9, the FCO's online Travel Advice received 4.8 million hits, and featured advice on 220 countries and territories. The advice was updated almost 4,000 times during the course of the year. In September 2008, when Hurricane Ike was heading for Cuba, the FCO swiftly advised against all but essential travel to that country to help minimise the number of British nationals in its destructive path.

In 2008/9, the Know-Before-You-Go campaign had its most successful year to date, communicating travel safety advice to British travellers. Media coverage reached 64% of all UK adults on average 29 times. The campaign now has almost 300 partners, who have helped it to deliver travel safety messages to 29 million British nationals.

Campaign highlights included:

- the playing of FCO TV fillers in all major post offices, on national TV, YouTube, Mall TV, and in departure lounges at major UK airports and
- the launch of the Spectrum campaign. (Spectrum is the sole provider of internet café services in UK airports.) The FCO placed Know-Before-You-Go screensavers on 1,800 computers and put animated messages on big screens in all UK airports. This resulted in 1.8 million people viewing Know-Before-You-Go messages in 2008, leading to a measurable increase in the number of insurance policies sold before travel.

➣ The support of the FCO is absolutely vital to Reprieve's death penalty work; from identifying British nationals facing the death penalty and informing them of their rights to making representations at the highest level. Together, Reprieve and the FCO currently work on the cases of 18 British nationals facing the death penalty in seven countries ≪

**Clare Algar,** Executive Director, Reprieve, a UK legal charity that investigates and litigates on behalf of individuals facing extreme punishment, from death row to Guantanamo Bay

## Improving consular services

The FCO has implemented a series of improvements to its consular services over the last year:

> It has strengthened consular services through modernising and improving consular training, including the requirement for all consular staff to pass a customer care skills assessment.



Peter Ricketts visited the FCO call centre for the Travel Advice helpline in Belfast, Northern Ireland

- > It has offered British nationals the option of downloading passport applications and the majority of consular forms online.
- > It has introduced an online registration tool (LOCATE), to ensure that it can successfully locate British nationals in a time of crisis.
- > Twice as many embassies and consulates now accept credit cards (43 in total) compared with 2007/8.
- The FCO now uses SMS text messaging for faster dissemination of urgent information to those British nationals abroad who are registered on LOCATE.
- Internet-enabled computers for public use are becoming commonplace in consular waiting rooms.
- > The FCO has introduced a new risk assessment tool to help identify the overseas posts that are at particularly high risk of a crisis. This ensures that the FCO is able to use its time, equipment and resources as efficiently as possible.

## **Passports**

There were some important developments in 2008/9. A new emergency travel document was approved, and BRIDGE – the new system to issue the document – rolled out to all posts from June 2009. BRIDGE is secure, quick and

easy to use, enabling British nationals to travel safely on to their next destination or to travel home in an emergency.

The commitment and drive demonstrated by the FCO helped to secure Home Office agreement for the Identity and Passport Service to take responsibility for overseas passport services by April 2011. This will create a single passportissuing authority, which will benefit British nationals overseas as well as contributing to efforts towards effective and innovative partnership across government. In preparing for this merger, the FCO has put customer service at the heart of the process. The objective to introduce authentication by interview in all posts by the end of 2008 has been achieved. Work to set up a remote interviewing network, so that customers do not have to travel too far for interviews, is ongoing.

The small Fraud Team has driven two major ongoing fraud investigations. Fraud awareness and detection have also improved, thanks to new guidance and professional tools developed by the Fraud Team.

## **Better regulation**

The FCO remains committed to the better regulation agenda and has a small unit led by a Board-level champion to ensure that the principles of better regulation are not overlooked. The nature of our business does not impact greatly on the business sector. We published our second Simplification Plan in December 2007 and the public who use our consular services receive a better service as a result of simplification of our processes.

## **Weblinks**

- > FCO Travel Advice: www.fco.gov.uk/travel/ en.travelling-and-living-overseas
- > Reprieve: www.reprieve.org.uk
- > Identity and Passport Service: www.ips.gov.uk

## The FCO's Forced Marriage Unit in action

When 15-year-old Rumi (not her real name) failed to return to school after the summer holidays, her teacher discovered that Rumi was in Pakistan. The teacher contacted the Forced Marriage Unit (FMU) for advice.

The FMU worked with the police to identify an address overseas for Rumi's family. The British High Commission Islamabad then obtained permission from local authorities for a police escort to undertake a rescue mission to the remote village where Rumi was being held. High commission staff travelled to the village, and spoke with Rumi away from the family. Rumi confirmed that she was being held against her will. She left with high commission staff who, working with the FMU, repatriated Rumi to the UK to resume her schooling.

## **Lessons learned: LOCATE**

Since its launch in December 2007, LOCATE, the FCO's new online travel and residence registration tool for British nationals, has been used extensively in crisis response (for example, during the China earthquake, terrorist attacks in Mumbai, and in the run-up to the contested elections in Zimbabwe). It has allowed consular staff to access up-to-date information on British nationals possibly affected by the incident. Since its introduction, the FCO has implemented a number of changes to LOCATE:

- > making it easier for members of the public to register their details
- > providing further training for staff overseas to ensure that information gathered on possible missing persons is as full as possible and
- > working with the UK police to establish a set of criteria to indicate how likely it is that an individual has been involved in an incident.

## **Cost-benefit analysis**

The summer holiday season is a critical time for getting across the FCO's Know-Before-You-Go travel messages. The annual *British Behaviour Abroad Report* was published in summer 2008. The report was based on figures for the top 15 countries where British nationals required the most consular assistance. It highlighted the types of situations that British nationals find themselves in overseas, while offering advice.

**Cost:** £20,000.

**Benefit:** When the report was published, it received blanket broadcast coverage. Some 88% of coverage included the campaign's key message: "get comprehensive travel insurance". The extensive coverage for the report was worth £4,988,400. (This figure is calculated using an industry standard process in which the coverage generated during the year is evaluated independently.) This represents a return on investment of 249:1. (The industry standard is 8:1.)





## **Supporting managed migration for Britain**



One of the principal duties of any government is to protect the security and promote the prosperity of its citizens. I am proud of the contribution that the FCO is making to this goal through its efforts to support managed migration for Britain.

Working in partnership with the UK Border Agency (UKBA), we are committed to ensuring

that our borders are secure and that migration is managed in accordance with the UK's needs. Our aim is to facilitate legitimate travel and entry to the UK, welcoming those whose talent, industry and creativity we need, in order to advance our position as a global hub, but taking a tough line with those who might seek to come here illegally or cause us harm.

I am confident that we can deliver on both fronts. The achievements listed in this section – from the role that the FCO has played in working with UKBA to return record numbers of foreign national prisoners, to the successful conclusion of the Visa Waiver Test – capture some of the key successes in 2008/9. I am committed to maintaining and building on this progress in 2009/10.

**Ivan Lewis MP** 

Minister of State

## A top priority

Managing migration for Britain is one of the government's top priorities. Working in close cooperation with the UK Border Agency (UKBA) and other Whitehall partners, the FCO and its network of posts overseas helps deliver government policy in three key areas: returning foreign national prisoners, failed asylum-seekers and other immigration offenders; ensuring that our borders are open to those who bring benefits to the UK economy, but closed to those who might harm us; and supporting refugees with genuine asylum claims.

## **Working with UKBA**

As recommended by the UK Border Review in April 2008, UKvisas (a former joint FCO and Home Office organisation) was integrated gradually in 2008 into the new International Group in UKBA (which gained full Agency status on 1 April 2009). A memorandum of understanding (MoU) setting out the FCO's continued role in visa policy work was agreed between the two departments. At all levels, the FCO and UKBA have worked together to achieve a successful merger, which aims to ensure a more effective visa control system. FCO staff continue to fill 40% of UKBA's international positions. The FCO works with UKBA to help deliver the Agency's objectives overseas.

## Returning those with no legal right to remain in the UK

Working with UKBA and other stakeholders, the FCO has worked with a number of governments to increase the volume of returns of foreign national prisoners (FNPs), failed asylum-seekers and other immigration offenders who have no legal right to remain in the UK. In 2008, over 5,000 FNPs were returned, exceeding the annual target set by Prime Minister Gordon Brown and representing a 25% increase on the figure for 2007.9

9 A total of 5,395 FNPs were removed in 2008. This figure is based on management information. It has not been quality-assured under Office for National Statistics protocols. It is subject to change and should be treated as provisional. Examples of specific FCO support on the returns agenda are:

- We have helped UKBA to negotiate new MoUs with Rwanda and Burundi to return FNPs and other immigration offenders. We have returned 25 people using these MoUs and aim to remove up to 225 in 2009/10. We have reviewed and updated existing agreements with Bangladesh, Jamaica, Vietnam and Sri Lanka.
- > We have expanded our network of migration delivery officers overseas. These officers are now deployed in 23 locations, many in countries that produce a high number of immigration offenders. They have helped improve cooperation with overseas governments in order to maximise returns and reduce illegal migration.
- > We are managing a newly established cross-departmental Returns and Reintegration Fund (RRF). The fund provides support through projects for those countries facing the greatest challenges in managing migration, including through the reintegration of returnees. During the first year of its operation, we have put in place projects which have the potential to enable the return of about 2,700 more people than in 2007, and have provided help to reintegrate over 2,800 individuals.

### **Border control**

In 2008, the FCO contributed to the design and implementation of a new immigration system, the Points-Based System. The system combines more than 80 work and study routes to the UK into five tiers. Points are awarded on workers' skills to reflect aptitude, experience, age and also the demand for those skills in any given sector, to allow the UK to respond flexibly to changes in the labour market. Tiers 1, 2 and 5 (covering highly skilled, skilled and youth/temporary workers respectively) have been successfully rolled out, and Tier 4 (students) was launched in March 2009. Tier 3 for low-skilled workers remains suspended. The FCO has promoted the Points-Based System, providing information and

advice to overseas governments and their diplomatic representatives in London. The scheme has substantially reduced the scope for abuse of our immigration procedures. We have also used the Points-Based System flexibly, in order to best manage migration for the benefit of the UK. This includes raising the bar in respect of the qualification and earnings criteria for Tier 1 and the suspension of Tier 3.

The FCO has played an important role in handling the issue of whether and how to impose visa regimes on a number of countries. It has worked collaboratively with UKBA and governments overseas on this sensitive area, providing advice and, in some cases, technical assistance to ensure that potential visitors to the UK from a number of countries are not in a position to undermine our immigration controls. As a result of the Visa Waiver Test, new visitor visa requirements were introduced for five countries in the first half of 2009 (Bolivia, Lesotho, South Africa, Swaziland and Venezuela). We have strengthened cooperation with the other countries subject to the test.

The FCO's cooperation with France and Belgium remains essential to the effective deterrence of illegal migrants. Our posts continue to work closely with the French and Belgian governments to promote our interests. We worked particularly closely with the French presidency of the EU in the second half of 2008, including on the EU Migration Pact

agreed in October 2008, which focused on practical cooperation and was in line with UK migration objectives.

## **Asylum**

The UK remains committed to supporting refugees, but is determined to return those without genuine claims. Using its local expertise and in-country knowledge, the FCO has contributed to 43 country of origin information (COI) reports used by UKBA to help determine the legitimacy of asylum claims. In addition, the FCO contributed to 38 COI key documents and two fact-finding mission reports, and responded to about 400 requests for information from the COI service.

## **EU** and international cooperation

Migration is a key component of the UK's bilateral and multilateral relationships. Over the last year, the FCO, UKBA and other Whitehall partners have worked cooperatively with EU member states, the EU Commission, the UN and other international partners.

## **Weblinks**

- > UK Border Agency websites: www.ukba.homeoffice.gov.uk or www.bia.homeoffice.gov.uk or www.ukvisas.gov.uk
- > International Organization for Migration website: www.iom.int

## **Returns and Reintegration Fund**

The FCO, in partnership with UKBA, is using the Returns and Reintegration Fund to ensure that illegal migrants in France seeking to enter the UK via Calais return voluntarily to their country of origin. The FCO is also working to address the problem at source, sponsoring information campaigns in countries of origin to warn people of the dangers of attempting to travel illegally to the UK. In 2008, as a result of these efforts, 87 illegal immigrants in Calais returned to their countries of origin, a 16% increase on the previous year.

## **Lessons learned:** Emergency travel documents

Many foreign national prisoners, failed asylum-seekers and other immigration offenders arrive in the UK without passports and must be redocumented by their country of origin before we can return them. In such cases, the FCO asks governments in the countries of origin to issue emergency travel documents (ETDs). In 2008, to accelerate the process, the FCO worked with Whitehall partners to prioritise ETD applications and worked with relevant embassies/high commissions in London to ensure that offenders are returned promptly.

The FCO and the UK Border Agency are working together as one team to deliver the government's agenda on migration. The FCO's country expertise has been particularly valuable in building up effective engagement with governments overseas. The UK Border Agency could not have achieved what it has without FCO support ≪

Phil Woolas, Borders and Immigration Minister

## **Cost-benefit analysis**

The FCO used an RRF project to help conclude negotiations with Uganda in January 2009 on a Prisoner Transfer Agreement, under which the UK could return without their consent Ugandan nationals detained for offences in the UK. Once ratified in March 2009, the agreement paved the way for the removal of an initial pool of 79 Ugandan prisoners, offering substantial annual savings to the UK taxpayer.

Cost: £850,000.

**Benefit:** On average, it costs £35,000 per year to keep a person in prison. The potential annual savings to the UK taxpayer of this project are significant.



# Countering terrorism and weapons proliferation and their causes



Departmental Strategic Objective 5 is about countering terrorism and weapons proliferation. Terrorism often grabs the headlines and it is no wonder when you see the horrors inflicted in Mumbai or at the Marriott Hotel in Islamabad in 2008. But we also have a leading role on arms control and disarmament, whether it be leading the debate on how we might secure a world free of nuclear

weapons, forging agreement on the Convention on Cluster Munitions, developing a new partnership between established nuclear powers and those wishing to develop civil nuclear programmes, or pressing for an Arms Trade Treaty. It is the modern FCO at its best: leading the debate, and working in tandem not just with other states, but also with parliamentarians, non-governmental organisations, faith groups, business and even the odd celebrity.

**Ivan Lewis MP** 

Minister of State

### Counter-terrorism

The FCO's role in tackling the threat from terrorism and violent extremism is an integral part of the UK government's Counter-Terrorism Strategy (CONTEST). CONTEST seeks to reduce the risk from international terrorism so that British people can go about their lives freely and with confidence. It aims to:

- prevent people becoming terrorists or supporting violent extremism
- > pursue terrorists and those that sponsor them
- protect the public, key national services and UK interests overseas and
- prepare for the consequences of terrorist attacks.

An international response is crucial: most UK terror investigations have an overseas connection and international terrorist organisations threaten the UK's interests overseas. The attacks in Mumbai in November 2008 brought home the severity and complexity of this threat. The FCO works with Whitehall partners to keep Britain safe, focusing effort on countries that have the greatest impact on the threat to the UK. This includes work to build capacity and political will to tackle the threat, as well as addressing the root causes of extremism and leading the UK government's response to attacks overseas that affect British nationals.

## **Pakistan**

Prime Minister Gordon Brown outlined in December 2008 details of a £10 million package to support Pakistan in tackling the shared threat from terrorism. During 2008/9, the FCO worked with Whitehall partners to:

- strengthen cooperation with the Pakistani police and military
- address drivers of radicalisation through a range of projects, including empowering young people and strengthening democratic institutions and

>> Some of the students had a lot of wrong assumptions about British Muslims. One of the questions was 'Are you allowed to be a real Muslim in England?' I asked 'What do you mean by a real Muslim?' and he said 'To pray, fast for example'. I answered him that we can do all that... and he was amazed. It was quite amazing that such perceptions can be changed just by discussion ≪

**Aftab Malik**, member of a British Muslim delegation on a visit to Egypt, after meeting leading religious students at the prestigious Al-Azhar University in Cairo

 improve civil aviation security and help the government of Pakistan develop its crisis management capability.

## **Preventing extremism**

The FCO stepped up efforts to counter extremism, including through an extensive outreach

programme to challenge misconceptions at home and abroad. Foreign Secretary David Miliband led an initiative to engage Muslim communities around the UK on foreign policy issues, with over 30 outreach events. The "Projecting British Islam" campaign, designed to challenge misconceptions about life for Muslims in Britain, supported visits by 44 prominent British Muslims to 11 countries, including Pakistan, Somalia and Sudan.

Projects launched in 2008/9 included the "I am Muslim. I am British. I am Me" campaign, which aims to dispel misconceptions about the West. This was part of a broader £80 million FCO programme covering more than 20 countries over a three-year period from 2008 to 2011.

## Working with strategic partners

The cooperation of our allies is essential to counter terrorist threats to the UK and to UK interests overseas. The counter-terrorism relationship with the USA is the most important single relationship, vital to terrorist disruptions in a range of countries across South Asia, the Middle East and Africa. However, this relationship has also faced a number of challenges, including those over Guantanamo Bay and extraordinary rendition. Our relationship has remained robust through the transition of government and we welcomed President Obama's early moves on Guantanamo Bay, rendition and torture.

## Weapons proliferation

The FCO plays a central role in the formulation of the government's counter-proliferation policy. An issue critical to the security of the UK and the world, this work presents both opportunities and challenges.

## Iran and the Democratic People's Republic of Korea

Throughout 2008/9, the nuclear programmes of Iran and the Democratic People's Republic

of Korea (DPRK) remained our most significant proliferation concerns. Despite intense diplomacy by FCO ministers and senior officials, in close coordination with the E3+3 (UK, France, Germany, USA, Russia and China plus the EU), concerns remained over Iranian nuclear intentions. A dual-track strategy continued: sanctions to persuade Iran to change its course, and the offer of engagement through the EU High Representative, Javier Solana.

International determination to resolve the Iranian issue diplomatically was demonstrated by the unanimous adoption of the UN Security Council Resolution 1835 in September 2008. This followed three UN sanctions: resolutions banning the sale or transfer of dual-use equipment to Iran's nuclear and ballistic missile programmes, denying visas for key officials, and freezing the assets of individuals and entities involved in the proliferation programme. The UK, with EU partners, has worked to implement measures going beyond UN sanctions, which include the freezing of the assets of more entities and imposing rigorous reporting requirements on all Iranian banks

On the DPRK, the UK supports the six-party talks process as the best means of denuclearising the Korean peninsula and bringing the DPRK into compliance with its Non-Proliferation Treaty obligations.

## **Arms Trade Treaty**

In 2008/9, the FCO continued to lead global efforts to make an Arms Trade Treaty a reality. Following three UN meetings in the first part of 2008, the UK co-authored a UN resolution in New York in October 2008, in which we sought to establish an Open-Ended Working Group of the General Assembly to pursue the treaty. Following intensive lobbying on our part, the resolution received strong support, with 147 states voting in favour (and only two states voting against).

## **Non-Proliferation Treaty**

The FCO is committed to strengthening the Treaty on the Non-Proliferation of Nuclear Weapons, which remains the foundation of international non-proliferation work. This is particularly important if we are to achieve a successful 2010 Review Conference. The Second Preparatory Committee for the Review Conference took place in Geneva in April 2008. Strong UK leadership resulted in the first statement from the five permanent members of the UN Security Council for eight years and created new momentum.

Reaffirming the UK's leadership, Foreign Secretary David Miliband launched a Policy Information Paper in February 2009, *Lifting the Nuclear Shadow: Creating the Conditions for Abolishing Nuclear Weapons*. This is designed to inform the public, both in the UK and internationally, of the importance of nuclear disarmament but also of some of the challenges we face in achieving it.

## **Chemical Weapons Convention Review Conference**

The Second Chemical Weapons Convention Review Conference concluded successfully in April 2008. The British Ambassador in The Hague chaired the Open-Ended Working Group that prepared the draft report for the conference. The FCO played a key role in ensuring a strong final report, which will shape the work of the Organisation for the Prohibition of Chemical Weapons for the next five years.

## **Convention on Cluster Munitions**

A great success story for the FCO in 2008/9, the Convention on Cluster Munitions was signed in Oslo in December 2008. The convention bans the use, production, transfer and stockpiling of cluster munitions. The work of the FCO, alongside international partners, will help to make the world a safer place.

### Weblinks

- Counter-terrorism section of the FCO website: www.fco.gov.uk/en/fco-in-action/counterterrorism/
- > The UK government's Counter-Terrorism Strategy (CONTEST) on the Home Office website: http://security.homeoffice.gov.uk/newspublications/publication-search/general/HO\_ Contest\_strategy.pdf
- > Counter-proliferation section of the FCO website: www.fco.gov.uk/en/fco-in-action/ counter-terrorism/weapons/
- > The Convention on Cluster Munitions, Oslo website: www.clusterconvention.org/
- International Atomic Energy Agency website: www.iaea.org/
- Section on global threat reduction on the Department for Business, Innovation and Skills website: www.bis.gov.uk/energy/nonproliferation/global-threat-reduction/index.html

## **Cluster munitions**

The UK played a leading role in bringing about what is one of the most significant new arms control agreements in recent years. Prime Minister Gordon Brown's announcement that the UK would support a ban on all cluster munitions broke the deadlock in the final negotiations. The FCO's Ambassador for Multilateral Arms Control and Disarmament headed the UK delegation throughout the negotiating process. The Convention on Cluster Munitions is a remarkable example of what can be achieved by governments joining forces with civil society: on signing the Convention in December 2008, Foreign Secretary David Miliband noted: "Political leaders must show they are prepared to listen and respond to the voices of victims of cluster munitions, of civil society and ordinary people."

**Lessons Learned:** Domestic outreach campaign

The FCO has an active outreach programme to Muslim communities across the UK, with ministers and senior officials taking part in discussions on foreign policy with groups of young British Muslims.

Outreach events have opened up space for informed debate and allowed us to highlight the ways in which our policies are not "anti-Muslim" – a myth often peddled by violent extremists in their attempts to radicalise others.

Individuals working at the grass roots and young Muslims have made clear a real appreciation of the FCO's willingness to engage, particularly on difficult issues such as Iraq and the Middle East Peace Process.

Given the levels of interest in foreign policy, it is important for us to:

- continue our dialogue with young British Muslims on foreign policy
- > address any misconceptions that exist and
- > be proactive in communicating our actual policies clearly.

## **Cost-benefit analysis**

The Channels for Change programme worked in 2008 to empower the media in Pakistan to reflect voices for change around the country.

The project trained Pakistani media practitioners on new techniques and formats to enable citizen journalism, and helped them to put these ideas into practice. This included support for Rose FM radio in Mirpur, a region of Pakistan with strong links to the UK, to act as a platform for community voices in support of good governance and against radicalisation and extremism.

Cost: £160,000.

Benefit: This project links communities in the Mirpur region of Pakistan with diaspora communities in the UK, giving mainstream voices in both countries a chance to be heard in a debate otherwise dominated by extremists. The project links Rose FM in Mirpur with Sunrise FM in Bradford, the second most popular Asian radio station in the UK, with joint programming three days each week on issues such as radicalisation.



## **Preventing and resolving conflict**



Preventing and resolving conflict is at the heart of FCO business. We have a responsibility to show leadership as a member of the UN Security Council and as a major player in the EU, NATO and G8.

That is why the FCO has been working closely with the Department for International Development and the Ministry of Defence to ensure that we direct

the right resources at the right time to prevent political disputes from breaking into conflict, to bring conflicts to a rapid end, and to help societies make the transition to a sustainable peace. That can range from political support for mediation efforts, to supporting peacekeeping missions worldwide, to improving the EU's ability to coordinate civilian and military resources in response to conflict.

Conflict has appalling humanitarian costs and creates an opportunity for terrorist networks and organised crime. Conflict impacts on migration, proliferation and energy security. It is an enormous challenge for all of us. We will only address it through a rules-based international system.

That is why the FCO is the lead department for Public Service Agreement 30: to reduce the impact of conflict through enhanced UK and international efforts. This means ensuring that the UK response to conflict draws on expertise and resources across government; ensuring that international organisations are better equipped to prevent and manage conflict; and reducing the impact of conflict in specific countries and regions.

Lord Malloch-Brown

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Minister of State



Burning drugs in Afghanistan

## **Tackling conflicts**

## **Afghanistan**

The UK's strategy for Afghanistan is part of a wider international effort to support the Afghan government in tackling poverty, building capacity and establishing stability and security. This comprehensive approach focuses on development, defence and diplomacy. As part of a crossgovernment effort, in 2008/9 the FCO provided support to the stabilisation process in Afghanistan and the Afghan government, by pressing international partners to share more of the burden, focusing on what other nations could realistically deliver, including military efforts (training for the Afghan National Army) and non-military efforts (including police mentors and financial aid).

With Whitehall partners and the international community, the FCO worked with the Afghan

government to reach out to local communities and build institutions of central government. In Helmand, where a senior FCO official heads the civilian military mission, the FCO, the Department for International Development (DfID) and UK Armed Forces supported the governor's efforts to develop mechanisms to build Afghan capacity, empower local people and tackle narcotics. The narcotics trade is a critical threat to Afghanistan, undermining governance, security and the economy. The FCO with Whitehall partners, representing the UK as the G8 partner nation for counter-narcotics, has continued to lead the international effort to support the Afghan government in tackling the drugs trade. While significant challenges remain, poppy cultivation decreased by 19% in 2008, with poppyfree provinces across Afghanistan increasing from 13 to 18.

In order to help the Afghan government provide improved security, UK personnel have continued to train and mentor the Afghan National Army and Police, whose numbers and capability are increasing steadily. In 2008/9, across Afghanistan the UK spent £29 million on interdiction and law enforcement efforts, £143 million on development, and approximately £53 million on stabilisation through the government's Stabilisation Aid Fund.

The FCO provided assistance to – and is working closely with – the Afghans and the UN to prepare for the elections of 2009, for which voter registration in Helmand exceeded expectations. We are also working with the Afghan and Pakistani governments to encourage them to take concrete action together to address their shared challenges.

The FCO has encouraged the EU to increase its impact, and has worked with the UN and other donors to support the UN Assistance Mission to Afghanistan and to ensure that it is adequately resourced. The FCO has also begun a careful process of engagement with Iran to encourage positive engagement in Afghanistan, rather than

approaching Afghanistan in the context of tension with the international community.

## Iraq

The FCO continues to support Iraqi efforts to rebuild their country. It provided assistance to the Iragi Council of Representatives, which in 2008 passed important legislation establishing the Iraqi National Human Rights Commission. The Council of Representatives also passed laws on de-baathification (that is, the removal from official positions of former members of Saddam Hussein's Baath party), provincial elections, powers and amnesty. The FCO worked closely with the Ministry of Defence (MOD) to secure a new legal basis for British military operations in Iraq in 2009. With the MOD and DfID, the FCO trained judges and police investigators in the use of forensic evidence. In Basra, the FCO worked to continue to build local government and security force capacity. Our small post in Erbil worked with the Kurdish regional authorities to promote stability and effective governance in the north of the country.

## Iran

During 2008, the UK was at the forefront of the international response to the Iran nuclear issue. As a member of the E3+3 (UK, France, Germany, USA, Russia and China plus the EU), the UK was a signatory to a revised offer that would provide Iran with everything it needs for a modern civil nuclear power programme, as well as many other benefits, if it suspends uranium enrichment and comes to the negotiating table. In keeping with the dual-track strategy of engagement and pressure, the FCO also played a central role on the pressure track. Intense diplomatic efforts helped to ensure that the UN Security Council unanimously adopted Resolution 1835, reiterating the international community's resolve to find a diplomatic solution to the issue and once again calling on Iran to halt the development of its nuclear programme.

➤ The UK shipping industry welcomes the important contribution made by the FCO towards pulling together an increasingly effective and coordinated international response to the challenge of piracy off the coast of Somalia, working with international partners

**Jan Kopernicki**, Vice President, Shell, and Chairman, Oil Companies International Marine Forum

In the EU, the FCO worked with key European partners to ensure that the EU fully implemented and went beyond UN sanctions resolutions against Iran: freezing the assets of further entities, including another bank; banning a long list of officials from travelling; and imposing rigorous reporting requirements on all Iranian banks.

In 2009, the FCO will continue to work closely with other members of the E3+3, the EU and others across the international community to seek a diplomatic resolution to the Iran nuclear issue.

### Kosovo

The FCO worked closely with international partners and the Kosovans before and after independence in February 2008 and lobbied hard to encourage other states to recognise Kosovo. Fifty-four states have now done so. The UK is supporting the EU's rule of



Ambassador's car halted by a roadblock outside Tiblisi, Georgia

law mission in Kosovo and we are working with the government of Kosovo and other international partners to support the implementation of UN Special Envoy Ahtisaari's Comprehensive Settlement Proposal. This will underpin the development of Kosovo as a stable, democratic and prosperous country, able to make progress towards European integration.

## Georgia

The UK and its international partners have been involved in intensive discussions to agree a ceasefire and to find a durable and peaceful way forward in Georgia. The FCO has supported financially and with personnel the three international monitoring missions (UN, EU and Organisation for Security and Cooperation in Europe) active in the region.

## Israel/Palestine

The crisis in Gaza has demonstrated the urgent

need for a lasting peace in the Middle East. The UK remains committed to a two-state solution and to achieving a comprehensive peace. We will work closely with the USA, EU and regional partners to make progress in 2009.

The Middle East and North Africa Conflict
Prevention Pool, which is jointly managed by
the FCO, MOD and DflD, spent £3.5 million
on work in Israel and the Occupied Palestinian
Territories during 2008/9. This has focused on
security sector reform, improved cooperation
and coordination between the Israeli
government and the Palestinian Authority,
reducing causes of tension (obstacles for peace,
such as settlements expansion), and improving
the economic and humanitarian situation. On
the latter, and specifically in response to the
Gaza crisis, the UK has made available £50 million,
of which £16 million has been allocated.

## **Working with Whitehall partners**

The Conflict Prevention Pool (CPP) aims to bring together in one strategy the government's political, development and security perspectives to help address the underlying causes of instability and conflict. The 2007 Comprehensive Spending Review allocated £112 million to the CPP in 2008/9, which enabled CPP partners to respond to emerging needs, for example in Kenya, as well as supporting long-term conflict prevention activity in a number of regions, including Africa, the Balkans, the Middle East and South Asia.

The three departments are also responsible for the Stabilisation Aid Fund (SAF), which funds civil conflict stabilisation activities in volatile areas, specifically Iraq and Afghanistan. The SAF made available £73 million in 2008/9. In Iraq, the SAF has been helping to create Iraqi economic institutions to support growth, supporting the Iraqi authorities in delivering better security and creating incentives for political engagement. In Afghanistan, the SAF

has helped bring greater stability and longer-term development, by focusing on governance, the rule of law and security sector reform.

In 2009/10, the FCO, MOD and DfID will establish and oversee a single conflict fund of £171 million, from which all conflict prevention, stabilisation and discretionary peacekeeping activity will be funded. There will be five strategies:

- > The SAF Afghanistan and CPP South Asia programmes will be merged.
- > The SAF Iraq and CPP Middle East and North Africa programmes will also be merged.
- A new Wider Europe Programme will fund activity in Russia/Commonwealth of Independent States and the Balkans (which were separate programmes under the CPP).
- > An Africa programme will be maintained.
- > A separate programme will be earmarked for thematic work, mainly to support international institutions and security sector reform.

## More effective international institutions

The UK launched a joint initiative with France at the UN aimed at enhancing the effectiveness of UN peacekeeping. This will involve the UN Secretariat and the Security Council in improving the planning, implementation and strategic oversight of peacekeeping operations and their mandates. The FCO is engaging with a wide range of member states, particularly troop/police-contributing countries, so as to build consensus around the need to evolve and enhance the role of peacekeeping. This debate will also discuss some of the more complex mandate issues that form an integral part of the overarching approach to conflict prevention and peacebuilding.

The FCO and DfID are working to improve the international post-conflict response, particularly that of the UN given its leading role in many peacebuilding missions. In May 2008, Foreign

Secretary David Miliband chaired a debate on peacebuilding at the UN Security Council. Following this, the FCO and DfID chaired an international conference in London in July 2008, at which representatives of donor governments, conflict-affected countries and key multilateral and regional organisations identified critical gaps in the international response and debated measures to address them. The focus for this reform agenda will be a report to be issued by the UN Secretary General on peacebuilding in the immediate aftermath of conflict (commissioned at the May 2008 Security Council debate). The FCO and DfID are working with the UN and other member states to ensure that the report includes ambitious recommendations that will make a real difference on the ground.

The FCO seeks to help the UN address conflict across the range of its activity: whether that be the structural conflict prevention undertaken by the UN Development Programme and the development agencies, work to address the links between conflict and natural resources, or tackling the human rights abuses that are so often a precursor as well as an indicator of conflict. The FCO supports the African Union (AU) in addressing conflict, particularly the work of Djibril Bassole as AU/UN Chief Mediator for Darfur, the AU/UN Mission in Darfur (UNAMID), and the AU Mission in Somalia (AMISOM). The UK is helping to build AU capacity to prevent and manage conflict, including by supporting the Africa Stand-by Force and by helping to develop the AU network of political offices.

The FCO and the MOD worked closely with the French presidency of the EU on an initiative to create a single civilian and military strategic planning structure to support European Security and Defence Policy missions. The FCO was actively engaged in getting EU partners' agreement to launch Operation Atalanta, to tackle piracy off the coast of Somalia. A UK naval officer commands this operation, which

## **Exercise "Joint Venture"**

For the first time, in 2008 FCO staff co-led the planning, preparation and delivery of the MOD's key biennial military exercise "Joint Venture". An FCO official was appointed the senior responsible officer, and all personnel - civil and military - reported to him during the exercise. A central objective was to test civil-military cooperation, building on existing models already in place in Helmand in Afghanistan and elsewhere, learning lessons which could apply to real-world scenarios. More than 850 military personnel took part, working alongside 35 civilians from the FCO, DfID, the Stabilisation Unit and other parts of government, representatives of nongovernmental organisations, as well as from a number of international partners. Enabling effective cooperation and joined-up delivery of results by military and civilian personnel is a key priority for the government, and is central to the achievement by the FCO of its Departmental Strategic Objective on conflict. Many of the lessons learned are already being implemented in Helmand.

## **Lessons learned:** Skills audit

In the light of experience of its handling of the response to recent crises in Kenya and Georgia, the FCO is investing further in its conflict-specific training and is conducting a skills audit to highlight areas where there are gaps as well as areas of strong expertise. This will allow us to deploy skills to optimum effect throughout the crisis management cycle. FCO staff will be more able to recognise and respond effectively to likely triggers as well as be familiar with potential solutions and available tools relating to conflict, and enable the FCO as a whole to make best use of the conflict management skills it already has, as well as to design effective training to build on these skills and to train other staff.

## **Cost-benefit analysis**

In March to May 2008, the FCO's policy planning staff undertook a review of lessons learned from the government's involvement in the Kenya crisis. Although some aspects of the government's involvement could have been improved, the report found that the government played a critical and effective role in containing the Kenya crisis and in building international agreement for a solution in difficult circumstances.

Had the violence not been stemmed when it was, the government might have had to play a more sustained role in managing and resolving a widespread conflict in Kenya. This might have involved difficult diplomatic negotiations, much greater international humanitarian and security efforts and it could potentially have thus been a significant additional cost to the British government.

is run from an EU headquarters based at the UK's Permanent Joint Headquarters at Northwood.

The FCO, together with the MOD, developed a UK–France initiative to increase European helicopter capabilities available to both NATO and the EU. The fund now stands at 27.5 million euros. Money from the fund is currently being spent on upgrading 17 helicopters from five countries, which will then be deployed in priority operations, including Afghanistan. The UK hosted a NATO Defence Ministers' meeting in September 2008 to press for NATO reforms to enable it to do more to resolve conflict. This led to agreement to increase targets for deployability of land forces from 40% to 50%.

## **Responsibility to Protect**

The FCO has continued to raise awareness and promote understanding of the concept of Responsibility to Protect (R2P) in the UN and EU. (R2P was a concept endorsed at the UN Summit in 2005 which relates to a state's responsibilities towards its population and to the international community's responsibility in case a state fails to fulfil those responsibilities.) The FCO argued successfully for the inclusion of R2P in the December 2008 Report on Implementation of the European Security Strategy. We are also working to ensure that an awareness of R2P informs our thinking across the conflict, human rights, development, governance and security agendas, and we have contributed towards several civil society initiatives designed to heighten awareness of R2P.

## **Underlying causes of conflict**

## **Human rights**

In 2008/9, we initiated the launch of an EU process to develop a more coherent EU approach to democracy promotion around the world, increased our efforts to ensure the implementation of EU Election Observation Mission recommendations, and continued to target structural weaknesses in, for example, South Asia, Sub-Saharan Africa

and Central Asia through our £6 million Strategic Programme Fund for Human Rights and Democracy.

## **Natural resources**

The FCO has continued to raise the profile of the role of natural resources in conflict and conflict resolution by the following:

- Working with partners to deliver the successful Belgo–British Conference "Natural Resources: Challenges and Opportunities" in November 2008, participants from government, industry and civil society kick-started a frank and ongoing discussion and prompted a global debate on the issue.
- > Fulfilling the government's obligations under the Kimberley Process, the FCO-based Government Diamond Office (GDO) has continued to issue certificates for diamond exports and to monitor imports. The GDO handled US\$4.1 billion of exports in 2008.

### Weblinks

- > The UK in Afghanistan: www.fco.gov.uk/en/fco-in-action/uk-in-afghanistan/
- > The UK in Iraq: www.fco.gov.uk/en/fco-in-action/uk-in-iraq/
- Peacekeeping and the Stabilisation Aid Fund: www.fco.gov.uk/en/fco-in-action/conflict/ peacekeeping/
- > The Stabilisation Unit: www.stabilisationunit.gov.uk
- The EU Monitoring Mission in Georgia: http://consilium.europa.eu/cms3\_fo/showPage. asp?id=1512&lang=en
- > The EU Operation Atalanta: http://consilium.europa.eu/cms3\_fo/showPage. asp?id=1518&lang=en
- > The African Union: www.africa-union.org/
- > The Belgo—British Conference on "Natural Resources: Challenges and Opportunities": http://ukinbelgium.fco.gov.uk/en/working-withbelgium/belgo-british-conference/

# Promoting a low-carbon, high-growth, global economy



The economic crisis affects us all. The FCO has been working internationally to ensure that the benefits of globalisation – to the UK and internationally – are not undermined by the crisis. The London Summit in April 2009 was a critical moment in that engagement.

We have been working to ensure that governments understand the importance of building a resilient

recovery offering stable, sustainable growth. This means reducing our dependence on high-carbon energy sources, or using technologies such as carbon capture and storage to mitigate that reliance, so that we are less vulnerable to energy price spikes and energy supply shocks. We will continue to work with the US administration and others to align our economic, energy and climate goals, so that the global recovery is based on low-carbon growth.

Equally important is our work aimed at preventing governments from introducing protectionist measures and from rowing back on their commitments to the Millennium Development Goals (MDGs) to help reduce poverty.

**Lord Malloch-Brown** 

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Minister of State

## Climate change

The FCO is one of the key delivery partners for the government's Public Service Agreement 27, "Leading the global effort to tackle dangerous climate change". Our role is to build the political conditions to transform the global economy to low carbon. This means persuading world leaders that only a low-carbon growth path is consistent with their country's prosperity and security. Without this we will not get the ambitious deal we need on climate change at the Copenhagen conference in December 2009.

The FCO has introduced innovative forms of campaigning diplomacy to influence non-governmental constituencies, as well as more traditional methods to align UK and other governments' interests. We have worked closely with Whitehall partners, particularly the Department for Energy and Climate Change (DECC) and the Department for International Development (DfID). Both in London and overseas, we have stepped up engagement with a broad range of opinion-formers, including business, non-governmental organisations, and faith groups:

- The FCO's US network helped shape regional cap and trade schemes in the USA. The majority of states are now in schemes or are observers, many modelled on the EU's Emissions Trading Scheme.
- The FCO's network of European posts was part of an intensive influencing effort to achieve the EU's high-ambition deal on reducing greenhouse gas emissons at the December 2008 European Council.
- > The FCO conceived the idea of convening a business-led, low-carbon taskforce to identify the key public—private partnerships that will help create a global low-carbon economy, which Prime Minister Gordon Brown launched at the World Economic Forum at Davos in January 2009. The taskforce produced its report ahead

of the London Summit in April 2009. It set out how a low-carbon economic transition is achievable and fundamental to global economic recovery and growth.

A Climate Security Envoy for Vulnerable Countries was appointed in October 2008 to develop understanding of the likely impacts of climate change in vulnerable countries, and to help them more effectively make their concerns and needs known internationally. Working closely with DfID, he has drawn up a strategy for engaging 40 of the most vulnerable countries worldwide, directly and through our network of posts and DfID offices. The objectives are to raise awareness of climate issues in these countries and to generate a voice that will highlight the impact of climate issues, including to exert more leverage within the UN negotiations.

## **Energy**

Focusing on geopolitical threats to the UK's energy security, such as countries' use of energy as a political lever, and taking action to address them, the FCO has worked closely with DECC to build support for effective international energy bodies, such as the International Energy Agency and the International Energy Forum, and promoted more efficient global consumption of energy.

The EU is a key delivery partner. As part of the wider government effort, the FCO and its posts worked hard with the European Commission and other member states to ensure that the EU's November 2008 Second Strategic Energy Review identified concrete objectives, including giving a new impetus to energy efficiency, stressing the need for a higher profile for the EU's external energy relations, and encouraging an improved EU response to emergencies.

The Russia—Ukraine gas dispute in January 2009 also highlighted the important role that the European Commission plays in ensuring EU energy

## **Supporting climate change in Brazil**

The FCO funded, through its Low Carbon, High Growth Strategic Programme Fund, a project to support Brazil's first National Action Plan on Climate Change. President Lula announced this plan at the start of December 2008. Through the Brazilian Forum on Climate Change, the project influenced those writing the National Action Plan to make it broader and more ambitious than originally planned, through funding consultations with the private sector, civil society and wider government stakeholders. Funds were also leveraged from elsewhere to work with civil society on a "shadow report" to illustrate potential levels of ambition. The resulting, highly ambitious, plan includes targets for key sectors such as energy. This is an extremely important step in Brazil taking a proactive stance on tackling climate change at the Copenhagen conference in December 2009.

## **Lessons learned:** Building consensus

In 2008/9, we worked to secure an EU-China agreement to cooperate on Low Carbon Development Zones (LCDZs) in China. The aim is to harness the power of the EU-China relationship to drive down the costs of low-carbon technologies and strengthen the low-carbon constituency in China. LCDZs are modelled on the Special Economic Zones that drove China's shift to a market economy. LCDZs could provide a test bed for the policies and programmes which could deliver an equally transformational shift to low carbon.

The FCO worked to build political consensus in the EU in support of this work. Our activity was tightly focused on securing an agreement on LCDZs at the December 2008 EU—China Summit. China's last-minute decision to postpone the summit for unrelated reasons was a significant setback. We learned that we needed to ensure that delivery mechanisms for our strategy went wider than one event.

In 2009/10, we will adopt a more multifaceted approach, using the full range of UK–China and EU–China channels to take work forward.

## **Cost-benefit analysis**

A major success in 2008 was achieved at minimal cost. A small team of staff in the FCO, DECC and FCO posts persuaded EU partners to set aside up to 9 billion euros for use in building an EU-wide programme of carbon capture storage demonstration plants. This programme will help prove the technological

and commercial viability of this vital new technology, which could reduce global CO<sub>2</sub> emissions by up to 25% according to the International Energy Agency and without which Lord Stern has estimated that the cost of reducing our CO<sub>2</sub> emissions would rise by up to 60%.



supplies. The FCO and DECC worked very closely with, and supported, the Commission in its position in relation to the two parties to the dispute.

The FCO took the lead in coordinating the cross-Whitehall work in the build-up to the Jeddah Energy Meeting in June 2008 aimed at helping to curb the volatility in world oil prices. Through the network of diplomatic posts, it secured wide and high-level government and business attendance at the follow-up London Energy Meeting in December 2008. This meeting agreed a range of measures to promote stability in oil markets, including action to improve transparency and the formation of an experts' group to provide recommendations to ministers for strengthening the architecture of international dialogue.

## **High growth**

An open global economy and effective economic governance remains the best way to increase prosperity and ensure the growth necessary to fund the shift to low-carbon investment. Progress has been severely threatened by the current global economic situation.

Real-time FCO economic reporting from around the globe has allowed ministers across the government to develop effective policy responses based on an accurate understanding of the political and economic situation. FCO posts have continued to play a role in lobbying governments to support completion of the Doha Development Agenda, although final agreement remains elusive.

FCO posts played a key role in building international support for Prime Minister Gordon Brown's calls for globally coordinated action to tackle the crisis. A major focus of the effort was the London Summit, hosted by the Prime Minister in April 2009 as part of the UK's G20 presidency.



Prime Minister Gordon Brown welcomes the President of China, Hu Jintao, at the London Summit

The summit marked a milestone in international cooperation to tackle the economic crisis. It agreed on a global plan to restore jobs and growth, identifying over US\$5 trillion of fiscal expansion, and committed a further US\$1 trillion in additional resources, including through the International Monetary Fund and other international financial institutions (IFIs). It undertook to crack down on tax havens, reform the mandates and governance of the IFIs, and take action to kick-start trade. There was also additional US\$50 billion of support, and a commitment to use the fiscal stimulus for low-carbon investment.

The summit was one of the largest gatherings of world leaders ever held in the UK and was

organised with only four months' preparation time. It took place in the same week as a state visit by the President of Mexico, and included President Obama's first visit to the UK. The FCO's Protocol Directorate led on the logistical arrangements. This included finding the venue, masterminding the planning for the conference facilities, organising internal security, controlling accreditation and providing hospitality. There was extensive collaboration with the police, airports, and a range of government departments to ensure smooth security, arrival and departure arrangements, and transport. Protocol officers worked closely with the visiting delegations to ensure well-coordinated planning for over 800 delegates.

The FCO worked with Whitehall partners to achieve significant progress towards getting the MDGs back on track with the MDG Call to Action initiative. At the UN High Level Event in September 2008, a coordinated lobbying effort from the FCO and DflD played a significant role in achieving US\$17.5 billion in new commitments to the MDGs.

In November 2008, the FCO and DfID achieved a reaffirmation of commitment to the MDGs and Official Development Assistance pledges from our international counterparts at the Financing for Development Review Conference in Doha. This was crucial to ensuring that the global economic crisis and its subsequent effect on the global economy did not result in developed countries reneging on those least able to cope with its effects: the world's poorest.

In pursuit of the health MDGs and other global health challenges, for example avian flu, the FCO is working to bring these issues into foreign policy. In September 2008, together with the Department of Health and DfID, the FCO launched "Health is Global", the government's global health strategy.

Since the strategy's launch, the FCO has been implementing its commitments, including the section on health in the FCO's *Annual Report on Human Rights 2008*, signing the Convention on Cluster Munitions in December 2008, and pushing for a legally binding Arms Trade Treaty by co-sponsoring a UN resolution adopted in October 2008.

The FCO has also supported a UN resolution adopted by the UN General Assembly (UNGA) in November 2008 to submit a report on global health and foreign policy to UNGA in September 2009. This report will highlight the challenges and make recommendations on how to improve coherence on global health and foreign policy initiatives.

## **Weblinks**

- > Promoting a low-carbon, high-growth, global economy: www.fco.gov.uk/en/fco-in-action/ carbon
- > London Summit: www.londonsummit.gov.uk
- > UN Climate Change Conference, Copenhagen, 2009: http://en.cop15.dk
- > UN Framework Convention on Climate Change: http://unfcc.int

# Developing effective international institutions, above all the United Nations and the European Union



The UK government is committed to multilateralism. We believe that global problems, such as climate change, conflict or the financial crisis, can only be solved through global solutions. But we also recognise that the international institutions designed after the Second World War may not be equipped to deal with the challenges of this century.

This foreign policy objective is therefore focused on:

- > strengthening international institutions to fulfil global purposes and tackle transnational threats and
- > using those institutions to help achieve the UK's foreign policy goals, in particular in the UN and EU.

From UN Security Council and management reform to modernising the international financial institutions, the FCO is shaping the global debate. We will continue to work for effective and efficient international institutions, which advance British interests and enhance global security, stability and prosperity. As for the EU, the priorities are for the EU to become more effective in dealing with its internal business, in promoting stability in the wider region, and in responding to the challenges on the global stage.

**Glenys Kinnock** 

Glery Kirinos

Minister of State for Europe

## International institutional reform

The UK is committed to making international institutions more effective and more representative. Prime Minister Gordon Brown has repeatedly set out his belief in the need for reform of the international architecture. As a result, the FCO has developed and begun implementing a Global Engagement Strategy to build consensus and momentum for reform across a wide range of institutions, including the International Monetary Fund, the World Bank, the UN, NATO and the Organisation for Security and Cooperation in Europe (OSCE). The London Summit in April 2009 illustrated the momentum building behind this initiative.

## **United Nations**

The government continued to put high-profile political effort into headline issues affecting the state of international peace and security this year. Ten ministers from across Whitehall (including Prime Minister Gordon Brown) attended UN General Assembly ministerial week in September 2008, advancing UK objectives across multilateral issues with leaders from around the world. During this visit Prime Minister Gordon Brown gave a keynote address at the Millennium Development Goals Summit.

## **UN Human Rights Council**

In May 2008, the FCO secured the UK's re-election to the UN Human Rights Council for a further three years. 2008 saw the UN Human Rights Council's first full year of operation since its establishment. It met in full session for ten weeks and held three special sessions: on Israel, on the right to food, and on the Democratic Republic of Congo. Ministers and FCO officials consulted non-governmental organisations on their priorities before each council session. The UK's positive, comprehensive approach helped set the tone for the council's review of 48 nations under the new Universal Periodic Review (UPR). The UPR is a unique process, which involves a review of the human rights records of all 192 UN member states once every four years.

### **Sanctions**

In June 2008, the FCO successfully drove UN Security Resolution 1822 through the UN Security Council to improve the due process surrounding the listing of individuals and entities to be subjected to counter-terrorism sanctions. This is vital for maintaining the credibility of the sanctions regime. The FCO led the widening of EU sanctions on Zimbabwe, targeting individuals and companies (for the first time) in the Mugabe regime.

The FCO also led in maintaining pressure for reform on the Burmese junta by successfully negotiating the roll-over of the EU sanctions regime.

## War crimes

With UK financial, political and practical support, the international criminal tribunals and courts continued to make progress. Jean-Pierre Bemba, a national of the Democratic Republic of Congo (DRC), was arrested in Belgium in May 2008 and handed over to the International Criminal Court in July 2008. He is in detention before standing trial on eight counts of crimes against humanity and war crimes committed in the Central African Republic. The trial of Thomas Lubanga Dyilo, charged with conscripting and enlisting child soldiers in the DRC, began in January 2009. Radovan Karadžić and Stojan Župljanin were captured and handed over to the International Criminal Tribunal for the former Yugoslavia, and put on trial in January 2009.

The annual meeting of the Inter-Departmental Committee on International Humanitarian Law (IHL) took place in October 2008. This is a formal mechanism created by the FCO to ensure that key international humanitarian law players in the UK, notably Whitehall departments and the British Red Cross, are able to share information and coordinate their IHL work. This ensures that those involved in IHL work are up to speed on IHL developments outside their own immediate spheres of activity and are aware of potential cross-cutting issues.

## **Combating anti-Semitism**

The UK is committed to combating all forms of racism, including anti-Semitism. Recent FCO work includes:

- > further implementing the recommendations of the 2006 All-Party Parliamentary Inquiry into Anti-Semitism (May 2008 update: www.official-documents.gov.uk/document/ cm73/7381/7381.pdf)
- > supporting the All-Party Group, led by John Mann MP, in its international endeavours to promote the Inquiry Report published in September 2006
- co-hosting, with the International Coalition Combating Anti-Semitism, an international parliamentary conference on anti-Semitism in February 2009
- ensuring that anti-Semitism is given due attention in international organisations, including the OSCE
- inheriting the rotating presidency of the International Commission of the International Tracing Service, the Bad Arolsen-based archive of Holocaust-era records and
- supporting the Task Force for International Co-operation on Holocaust Education, Remembrance and Research.

## **Lessons learned:** Early lobbying

The FCO was successful in two important UN elections in 2008. First, the UK was re-elected to the Human Rights Council following a campaign highlighting our commitment to human rights worldwide. Second, Professor Sir Christopher Greenwood was elected onto the International Court of Justice. He takes his seat on the court as an independent judge, but the government and the FCO network played an important part in encouraging other UN member states to support him. Running two campaigns at once required careful coordination. We will need to ensure for any future campaigns that we start lobbying early enough and coordinate our lobbying on priority campaigns.

## **Cost-benefit analysis**

Member states agreed on a number of important administrative reforms of the UN Secretariat (relating to human resource management, strengthening Secretariat departments, the budgeting process and modernising ICT systems).

**Costs:** The UK worked hard to make sure that proposals provided value for money; in total the UK was able to reduce the

costs of these proposals by approximately US\$400 million.

**Benefits:** The reforms will help the UN staff missions in unstable regions of the world, enhance the UN's capacity to mediate between disputing parties and help to improve the UN's management of its people and finances. In short, they will help the UN make better use of UK taxpayers' money.



A bill enabling the UK to ratify the Third Additional Protocol to the Geneva Conventions was introduced into the House of Lords in December 2008. The protocol adopts a new neutral emblem, the Red Crystal, for use in situations where the existing Red Cross or Red Crescent might wrongly be seen as having religious connotations.

# **Organisation for Security and Cooperation** in Europe

Events in Georgia dominated 2008 for the OSCE. The OSCE responded quickly to the crisis, despatching an additional 20 OSCE military monitoring officers to the OSCE mission in Georgia (eight were already present), led by Colonel Steve Young, a UK secondee. The UK contributed four armoured vehicles to the expanded OSCE mission. The UK provided 22 experts to OSCE field missions in the western Balkans, southern Caucasus and central Asia, and funded around 250 UK observers to support OSCE election observation missions, including to Georgia and Montenegro.

## **European Union**

The FCO has focused on building a streamlined, effective EU that delivers a competitive European economy, promotes stability and reform in wider Europe and provides a coherent response to global challenges.

This included working closely with No.10, the Treasury and the Cabinet Office to ensure that the UK led the EU response to the economic crisis. At the December 2008 European Council, heads of state unanimously endorsed a European Economic Recovery Plan that adhered to the UK's preferred formula for responding to the economic and financial crisis.

In December 2008, the FCO co-hosted with the then Department for Business, Enterprise and Regulatory Reform (BERR) a successful business event at Lancaster House. It was attended by ➤ The British government opposed any relaxation of sanctions without positive steps by Burma's generals first, and deserves praise for continuing to stand with the people of Burma, giving them political support, as well as being the largest aid donor <</p>

Mark Farmaner, Director, Burma Campaign UK

Prime Minister Gordon Brown, French Prime Minister Sarkozy, European Commission President Barroso, FCO Minister Caroline Flint, BERR Minister Gareth Thomas, Treasury Minister Shriti Vadera, and a wide variety of French and British business leaders and economists. The event looked specifically at how EU leaders could help businesses to weather the recession and what government interventions would best prepare them for the upturn. There was wide consensus around the value of the measures that the UK government had already taken to aid the banking system and provide a fiscal stimulus (through the VAT cut announced in the Pre-Budget Report).

The FCO steered legislation through Parliament allowing the UK to ratify the Lisbon Treaty, which modernises and streamlines the way an enlarged EU will work to deliver more effectively on the issues that matter to citizens.

With strong FCO support, talks began on a Cyprus settlement offering the prospect of long-term peace and stability in the area. A new EU partnership has been developed with the EU's eastern neighbours. In the Western Balkans, the FCO supported and reinforced Kosovo's independence in February 2008, both before and after the event, including the deployment of the EU's largest-ever civilian mission – EULEX – throughout the country, and underlining to Serbia the benefits of moving towards Europe.

The EU has never been more active internationally on conflicts, both politically and on the ground: EU measures were agreed to address the aftermath of the Georgia–Russia conflict; and the FCO helped launch the first European Security and Defence Policy naval mission – Operation Atalanta – which protects humanitarian aid deliveries from the World Food Programme and disrupts pirate attacks off Somalia.

The FCO remains committed to the better regulation agenda and has a small unit led by a Board-level champion to ensure that the principles of better regulation are not overlooked. The nature of our business does not impact greatly on the business sector. We published our second Simplification Plan in December 2007 and business benefits from our efforts globally, especially in the EU, where we continue to promote simplification and the reduction of administrative burdens which hamper growth and hinder trade.

#### **Council of Europe**

The UK continued to play an active role in the Council of Europe to support its work on its core objectives of promoting and preserving human rights, democracy and the rule of law.

In 2008, the FCO championed successfully to maintain a zero real growth budget for the Council of Europe. This means that the budget will only rise by the rate of inflation.

In the absence of all member states' ratification of Protocol 14 to the European Convention on Human Rights – which would streamline the work of the European Court of Human Rights – the UK has explored practical changes to improve the Court's operating procedures until the protocol comes into force.

#### **Commonwealth**

The Commonwealth Mini-Summit on International Institutional Reform took place in London in June 2008, bringing together 11 Commonwealth heads of government. The summit, co-chaired by Prime Minister Gordon Brown, was the first substantial multilateral discussion of international institutional reform. The meeting and resulting Marlborough House statement have contributed to widespread debate and to building international consensus on international institutional reform. The special Commonwealth heads of government meeting in New York in September 2008 endorsed this pioneering international institutional reform work and agreed to work towards total Commonwealth consensus and to engage regional organisations.

#### **Weblinks**

- UK Mission to the UN in New York: http://ukun.fco.gov.uk
- United Nations Association in the UK: www.una-uk.org
- > United Nations: www.un.org
- International Criminal Court: www.icc-cpi.int/
- International Criminal Tribunal for the former Yugoslavia: www.icty.org/
- International Criminal Tribunal for Rwanda: www.ictr.org/
- Special Court for Sierra Leone: www.sc-sl.org/
- International Committee of the Red Cross: www.icrc.org
- > British Red Cross: www.redcross.org.uk/

- Organisation for Security and Cooperation in Europe: www.osce.org/
- > Council of Europe: www.coe.int/
- > Commonwealth Foundation: www.commonwealthfoundation.com/
- > Commonwealth Parliamentary Association UK branch: www.cpaukbranch.org/
- Commonwealth Secretariat: www.thecommonwealth.org/
- > The Royal Commonwealth Society: www.thercs.org
- > UK Permanent Representation to the European Union: www.ukrep.be/
- > European Council: www.consilium.europa.eu/
- > European Parliament: www.europarl.europa.eu/





# Part Two The FCO Change Programme

# The FCO Change Programme

Our goal is to be an organisation which:

- is focused on changing the world, not on administering itself
- has more of its resources abroad, where we make the biggest difference and
- looks outward not inward.

Our Change Programme, "More Foreign, Less Office", is designed to deliver this goal. The Change Programme groups a range of different activities and programmes. We are modernising:

- > What we do: We want our focus to be on those things which matter most to the UK and the British people; and on which the FCO can make the biggest difference. Our eight Departmental Strategic Objectives (DSOs) reflect this. We have aligned our activities, resources and staff closely behind these; and we regularly measure our performance on each.
- Who we are: We are recruiting a broader range of people from all walks of life. We want greater visible diversity in our organisation, particularly at the senior levels (see page 56). We want more invisible diversity: people who think and act differently, and bring new experience and perspectives. And we want to be One Team: integrating our local staff fully into our work and giving them greater responsibilities.
- > Where we are: In 2008/9, we completed a substantial shift of diplomatic staff, moving many from Europe to Asia and other parts of the world. We will continue to adjust our global footprint as circumstances require.
- How we work: We are improving how we communicate, interact and manage knowledge through deployment of our new information communication technology system, F3G, which began global roll-out in early 2009. We are improving our processes and cutting bureaucracy through a new Corporate Services



Cover of Your Foreign and Commonwealth Office

- Programme designed to simplify, standardise and streamline everything we do.
- > **Our culture:** The FCO has a strong culture. We work for the public good, seek to always act with honesty and integrity, and upport each other. We are adding new elements: greater initiative, innovation and experimentation; more focus on pace and delivery; and readiness to take well-judged risks.

#### Communication

In 2008/9, the FCO has made big changes to the way it communicates, by developing a new global web platform and reorganising the way it approaches public diplomacy and engagement with its own staff and with the public.

Our new web platform is one of the most ambitious in the world. It consists of a global network of websites: the corporate site www. fco.gov.uk, published in English, Arabic and Urdu, and 225 websites at posts across the world, using 40 different languages. Traffic is growing very rapidly, with over 120,000 visitors on a typical day, which makes us the busiest foreign ministry web platform in the world, apart from the US State Department, and the second busiest in the UK government, behind Directgov (www.direct. gov.uk), which pulls together government sites providing services to UK citizens.

## Measuring change in the FCO

We measure the progress of our Change Programme by tracking milestones we have set in our High Level Change Plan, through a monthly key performance report to the FCO Board, and through what our own staff and external partners tell us about the organisation's progress.

Some key targets include:

- replacing our IT with the new F3G system. So far, over 5,000 new computers have been installed in the UK, pilot programmes have been deployed overseas and we are on target to complete the overseas roll-out in early 2010
- > a rolling "10,000 days" project in our Corporate Services Programme to reduce the time we spend on administrative work. And outsourcing facilities management arrangements in the UK and the wider network; so far, we have rolled out in the UK, Vienna and Warsaw and are on track for 12 more posts in north-west Europe to go live by July 2009. We have set overall cashable efficiency savings for our Corporate Services Programme of over £20 million and
- making the FCO carbon-neutral. Our Greening Programme developed challenging targets for all our posts to reduce emissions and improve sustainability by March 2009.

**Our staff:** In our last staff survey (December 2008) most of those who work for us said that the FCO was improving. Most staff (68%) understand why the FCO is changing. More staff think we are managing it well (47%) than think we are doing it badly (18%). Almost all our staff (84%) are proud to work for us.

**Our external stakeholders:** In our last survey (June 2008) of parliamentarians, media, non-governmental organisations, business and Whitehall partners, the FCO was seen to be:

- a more modern and outward-facing organisation
- > more diverse and less hierarchical
- > streamlined in its operations
- > more strategically focused, with a clearer sense of leadership
- > more efficient and
- > better at responding in a crisis.

The Capability Reviewers, who assess all central government departments against a range of indicators, found in a re-review conducted in March 2009 (two years on from their original review) that the FCO had improved in all categories of leadership, and in managing, prioritising and driving delivery. They summarised the progress we have made as:

"FCO engaged seriously with the findings of the 2007 Capability Review. The Department has demonstrated enthusiasm and commitment to change and improvement. The Department has made considerable progress in key areas, including a better definition of its role and purpose, more strategic HR, and improved business planning and change management. Much of this is work in progress, and FCO needs to continue to think radically about its place in a changing world. Considerable improvements in leadership, along with plans that will improve strategy and delivery, give confidence that genuine change has begun and that improvements will continue."

Capability Reviews: Foreign and Commonwealth Office: progress and next steps, March 2009

#### **Difference and diversity**

#### The business case

An FCO that draws on the best available talent on merit, from across all sections of UK society and communities abroad, will be the most efficient employer of people, deliverer of services and developer of British foreign policy.

The FCO wants a workforce that is engaged and committed so that we increase our corporate performance. To do this the FCO is committed to encouraging diversity of thought, using everyone's skills and taking into account different perspectives. We have established a Diversity Strategy Unit to support the delivery of these objectives.

#### The story so far

In 2008, the FCO:

- supported staff from under-represented groups to realise their full potential, eg through structured mentoring and use of role models, increased work and career flexibility, practical support, and job-shadowing
- carried out an Equality Impact Assessment on all papers for FCO Board action and new or changing major corporate policies and
- raised inclusion awareness through the global training programme "Making the Most of Difference" and internal engagement at all levels.

Specific examples of innovation included:

- > a job-share head of mission overseas (joint high commissioners to Zambia)
- > the FCO Director for Global and Economic Issues is a senior, female job-share partnership
- the embassy in Sarajevo seconding its
   accountant to the Consulate-General
   Amsterdam, so he gained experience elsewhere
   – Amsterdam filled a specialist gap, and Sarajevo
   covered his temporary absence locally and
- > the first recruitment of local staff from some of our posts abroad to work in London – a symbol of our commitment to be One Team.

#### Looking ahead: 2009 and beyond

The FCO published, in January 2009, the new FCO Diversity and Inclusion Strategy, *Fairness for All*, a roadmap to take us towards being recognised as a leader of diversity and inclusion by 2013 – with four key themes:

- > creating a more inclusive FCO culture
- > strong leadership and accountability
- bringing in and bringing up diverse talent, on merit and
- > better representing the communities we serve at home and overseas.

## **FCO** targets for under-represented groups

	<b>1 April 2013</b> (in terms of people)	1 April 2013 (in percentage terms)
SMS women	103	28%
SMS BME	19	5%
SMS disabled	19	5%
Band D women	345	40%
Band D BME	43	5%
Band D disabled	43	5%



Grace Mutandwa and Philip Barclay, the FCO's Harare-based bloggers mentioned in the top 100 bloggers by *The Times* 

We have seen a number of significant benefits from the investment in this new platform. It has shown itself resilient to big surges in traffic, such as occurred following the Mumbai terrorist attacks in November 2008. It offers a robust base for further improvements in consular services and travel advice.

We are also learning how to make better use of the web to pursue our diplomatic goals. A digital hub (www.londonsummit.gov.uk) was set up at a few weeks' notice and was central to the months of global diplomatic engagement that preceded the G20 summit hosted by the UK in April 2009.

Bloggers – the FCO now has 29 regulars, working in a range of languages – have also been central to public diplomacy campaigns, such as the Arms Trade Treaty. Our Harare-based bloggers were named in the world's top 100 bloggers by *The Times*.

Modern, web-based communications are also at the heart of the way the FCO communicates internally. FCONet, our intranet, receives around 8 million page views each month and is our key online communications tool. Recent developments, based on our vision of further personalisation and two-way engagement with

staff, have included videos, online polls, and feedback tools and fora.

Digital communications techniques have also been important in our increased outreach to people in the UK, which has seen the Foreign Secretary lead a substantial programme of visits to many parts of the UK to explain and debate our foreign policy and to establish better relationships with the UK's many ethnic communities. A YouTube video of the Foreign Secretary addressing Friday prayers at a mosque in Bradford in November 2008 was very quickly in circulation in Islamabad.

A strategic campaigns approach to diplomacy, which involves public alliances with bodies such as non-governmental organisations, faith organisations, pressure groups and think tanks, as well as with other governments, is increasingly important as governments themselves respond to well-organised, citizen-based movements.

In one way or another, all of the FCO's DSOs are now benefiting from this type of bottom-up public diplomacy. This work builds on a long tradition of FCO public diplomacy undertaken through partnerships with the British Council, the BBC World Service, the Chevening and other scholarship programmes, and the Wilton Park conference centre.

#### **BBC World Service**

In 2008/9, BBC World Service received £265 million in grant-in-aid funding from the FCO. It was a broadcasting year that saw a global weekly audience of 188 million (radio, online and Arabic TV), the launch of Persian TV and the move from 12 to 24-hour Arabic TV. BBC World Service has worked to build deeper, richer relationships with global audiences, making it easier for users to access and share content on the web and other new media platforms. And the BBC World Service

has worked to modernise services for people in the right way for each market.

#### The British Council

The British Council received £190 million grantin-aid funding in 2008/9. Projects in the British Council's three programme areas – creative and knowledge economy, intercultural dialogue and climate change – have reached millions of people across the globe, enriching lives in the UK and around the world, often within the context of political tension and instability. For example, the British Council's global arts team initiated a major exhibition of J.M.W. Turner's work in museums in Russia (200,000 visitors) and China (exhibition ongoing), successfully building engagement and trust for the UK and sharing expertise between cultural institutions. The global education team has managed over 2,500 connecting classrooms projects engaging more than 1 million people worldwide. This project enables young people to develop their appreciation of different cultures and identities, and equips them with the skills they need to live and work as global citizens. The British Council's climate change team is working in 28 countries worldwide to support young people who share a passionate interest in climate change and want to make a difference.

#### Wilton Park

In 2008/9 Wilton Park organised 50 conferences, four of which were held overseas. Wilton Park received consistently high customer satisfaction scores (94% of customers rated the conferences as "excellent" or "above average"). Compared with 2007/8, revenue from sponsorship of

conferences increased in every category. Revenue from non-conference activity also increased, exceeding £900,000 for the first time. Despite this, Wilton Park still made a deficit of £346,000. Following a review of the Agency carried out by the FCO during the year, Foreign Secretary David Miliband agreed a "Refresh strategy" for the Agency including an overhaul of its finances, governance and managerial oversight and based on a refreshed vision. The outcomes of this review are now being implemented. As part of this process, a new Chair of the Wilton Park Departmental Board and Advisory Council, Iain Ferguson, has been appointed. The FCO is also in the process of recruiting a new Chief Executive with the current incumbent, Donald Lamont, stepping down in the autumn of 2009.

#### **Better regulation**

The FCO remains committed to the better regulation agenda and has a small unit led by a Board-level champion to ensure that the principles of better regulation are not overlooked. However, with the Machinery of Government change which saw our visa operations move to UKBA, the nature of our work no longer has a significant regulatory impact upon the business sector or the public. Therefore, for 2008 we were not required to submit a Simplification Plan.

#### Weblinks

- > British Council: www.britishcouncil.org
- > BBC World Service: www.bbc.co.uk/ worldservice
- > Wilton Park: www.wiltonpark.org.uk

# List of common abbreviations/glossary

**AU** African Union

**BERR** Department for Business, Enterprise

and Regulatory Reform (now Department for Business, Innovation and Skills)

**BIS** Department for Business, Innovation and Skills

black and minority ethnic carbon capture and storage

**CMMH** Civilian Military Mission to Helmand (in Afghanistan)

**COI report** Country of origin information report

CONTEST Counter-Terrorism Strategy
CPP Conflict Prevention Pool

**CSR** Comprehensive Spending Review

DECC Department for Energy and Climate Change
DfID Department for International Development

**DPRK** Democratic People's Republic of Korea

DRC Democratic Republic of Congo
DSO Departmental Strategic Objective

**E3+3** the E3+3 countries are Britain, France, Germany, USA, Russia and China plus

the EU

**embassy** diplomatic mission in the capital city of a non-Commonwealth country

**ERT** emergency response team

**ESDP** European Security and Defence Policy

emergency travel document

ETS Emissions Trading Scheme

**EU** European Union

FAC Firecrest Third Generation (the FCO's latest ICT system)
FAC Foreign Affairs Committee (of the House of Commons)

**FCO** Foreign and Commonwealth Office

**FDI** foreign direct investment

**FMU** Forced Marriage Unit (a joint FCO/Home Office unit)

**FNP** foreign national prisoner

**G8** the G8 countries are Britain, Canada, France, Germany, Italy, Japan, Russia

and the USA

**G20** the Group of Twenty (G20) is made up of the finance ministers and central

bank governors of the following 19 countries plus the EU:

Argentina, Australia, Brazil, Britain, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South

Korea, Turkey and the USA

**GDO** Government Diamond Office

**GDP** Gross Domestic Product

**high commission** diplomatic mission in the capital city of a Commonwealth country

IAEA International Atomic Energy Agency

ICC International Criminal Court

ICT information and communication technology
ICTR International Criminal Tribunal for Rwanda

**ICTY** International Criminal Tribunal for the former Yugoslavia

**IEA** International Energy Agency

IFI international financial institution
IHL international humanitarian law
IIR international institutional reform
IMF International Monetary Fund

**IOM** International Organization for Migration

IPSIdentity and Passport ServiceLCDZLow Carbon Development ZoneMDGMillennium Development Goal

MEPP Middle East Peace Process

MOD Ministry of Defence

MoUmemorandum of understandingNATONorth Atlantic Treaty Organisation

**NGO** non-governmental organisation

**NPT** Non-Proliferation Treaty

**ODA** Official Development Assistance

**OSCE** Organisation for Security and Cooperation in Europe

**PES** Public Expenditure System

**PIMS** Performance and Impact Monitoring Survey

**post** generic term for an FCO office overseas

PSA Public Service Agreement
R2P Responsibility to Protect

**R&D** research and development

**RDA** Regional Development Agency

**RDT** rapid deployment team

**RRF** Returns and Reintegration Fund

**SAF** Stabilisation Aid Fund

**SME** small and medium-sized enterprise

**SMS** Senior Management Structure (in the FCO)

**SPF** Strategic Programme Fund (formerly Global Opportunities Fund)

TSO The Stationery Office

UKBA UK Border Agency

**UKTI** UK Trade & Investment

**UKTI DSO**UK Trade & Investment Defence and Security Organisation

**UN** United Nations

**UNFCCC** UN Framework Convention on Climate Change

**UNGA** United Nations General Assembly

**UPR** Universal Periodic Review

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