

21 June 2010



Foreign &  
Commonwealth  
Office

London SW1A 2AH

*From the Parliamentary Under Secretary of State*

Mr Chris Bryant Esq MP  
House of Commons  
London  
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Dear Chris,

During the general debate on UK policy towards the emerging economies on 14 June (Hansard, 15 June 2010: Column 681), I undertook to write in response to questions from you and other Members that I did not have time to address.

The importance of Government support to British industry in the emerging markets was highlighted on more than one occasion. UK Trade & Investment (UKTI) has a presence in 96 markets around the world, with some 1,300 staff deployed on UKTI work overseas, the bulk of whom are locally engaged for their market knowledge and business background. Resources are focused in those markets that are judged to be the most significant. These include our principal current export markets and also 17 high growth markets that UKTI has identified based on their potential for growth and other criteria such as their market match to the UK and the scope for UKTI help. These high growth markets are Brazil, China (including Hong Kong), India, Indonesia, Mexico, Russia, South Africa, Turkey, Saudi Arabia, UAE, Malaysia, Qatar, Singapore, South Korea, Taiwan, Thailand and Vietnam. UKTI is responding to increased demand for UKTI help in these markets and nearly 40% of the clients that UKTI now assists are seeking help in regards to these markets.

Thank you for highlighting the early-mover advantage in low carbon markets. You asked specifically about Government support to British industry to compete in green markets. Recent UKTI-commissioned research has identified China, India, the US and Brazil as representing the greatest immediate opportunity for the UK's low carbon solutions. These are followed by Korea, Mexico, South Africa, Japan and Germany, based on a multi-criteria analysis accounting for expected future demand and historical trading relationships. It is UKTI's role to promote UK strengths to these markets and it is refocusing its effort to build the UK's reputation globally as partner of choice for low carbon business. By September, a UK Low Carbon "Know How" Campaign in China will be launched to show Chinese buyers and decision makers what UK business has to offer. Later this year, up to 30 UK businesses will take part in a trade mission to several Chinese cities to offer their expertise in creating sustainable cities.

Other campaigns will follow for India, US and Brazil with events for a large number of UK businesses in these top four priority markets. Globally, at least a third of UKTI's core activities across sectors this year, such as trade missions, will focus on low carbon business opportunities.

You raised human rights projects in the emerging economies. As part of its response to the Government's announcement of £6.25 billion cuts to UK public sector expenditure, the Foreign Office is conducting a review of FCO programme spending to be led by the Foreign Secretary. This review covers all areas of FCO programme spend, including in the emerging markets that you mention.

You specifically mentioned projects on the rights of children in the legal system in Brazil. For the avoidance of doubt, the FCO does not fund projects on child rights or human rights in Brazil. DFID Latin America Office (integrated into the British Embassy in Brasilia) funds a Civil Society Challenge Fund project with ChildHope UK called 'Attitude Legal: Protecting the rights of children, young people and their families in conflict with the law'. The initiative seeks to promote and defend the rights of the most marginalised children and young people in Rio de Janeiro who have committed (or are accused of committing) criminal offences and who are undergoing socio-educational measures within or outside detention centres.

We have raised the issue of reform of the energy law with the Mexican government on a number of occasions and will continue to do so.

You asked about the student visa system. We want to attract the brightest and the best, which is why we are determined to encourage legitimate students to come here and study. The new Government is looking at the whole area of Tier 4 visas in order to improve the system to encourage legitimate students while closing the loopholes that exist. In addition, we are considering what changes to the immigration system would be appropriate and effective to achieve the policy objective of reducing net migration to tens of thousands, not hundreds of thousands, by the end of this Parliament as well as reducing abuse of the system. The Home Office is consulting with us, other Government departments as well as relevant corporate partners and plan to bring proposals to Parliament in due course.

You raised the importance of protecting intellectual property rights (IPR). The Government takes the issue of IP crime seriously and is committed to tackling it both domestically and overseas. This is not a problem that the UK can tackle alone and so it is important that we work with our international partners. For example, we support the EU/China IPR2 co-operation initiative, which has an aim of improving the effectiveness of IPR enforcement in China. This project has just entered its third year.

**Mr Ellwood** asked about UK to China. Expenditure under the bilateral programme to China in 2010/11 is expected to be £20 million. The Secretary of State for International Development announced in his speech at Oxfam on 3 June that the bilateral development programme to China would end by March 2011. However, we shall continue to look for opportunities to work with China on the global challenges to poverty reduction such as climate change, global health and promoting sustainable development in Africa.

The Secretary of State for International Development has also informed the House<sup>1</sup> that he has commissioned a review of the DFID Bilateral Aid Programme to ensure that we target UK aid where it is needed most and where it will make the most significant impact on poverty reduction.

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<sup>1</sup> HC Deb, 16 June 2010, c51WS



**Dr Murrison** asked about aid to the European neighbourhood. The European Union provides financial aid to the Europe's neighbours through the European Neighbourhood and Partnership Instrument (ENPI). This supports the implementation of the European Neighbourhood Policy (ENP) in the countries of Eastern Europe, the South Caucasus, North Africa and Syria, Jordan Lebanon, and the Occupied Palestinian Territory.

The ENP is designed to offer an enhanced partnership between the EU and neighbourhood countries, including deeper political relationships and enhanced trade. The ENP supports this process by providing funding for key areas such as sector reforms, public administration reform and capacity building, and public finance management. The UK is a supporter of the ENP, sharing its aims of enhancing cooperation to ensure an area of prosperity, stability and security on the borders of the EU.

While the UK's aid is focussed on the very poorest countries, The European Union has a clear comparative advantage in providing assistance for the European Neighbourhood, as it ensures that aid is directly linked to supporting the key political processes of moving towards closer relations between partner countries and the EU, the reform of institutions, and alignment with the EU standards and norms.

In answer to Dr Murrison's question on having separate DFID offices and FCO posts in the same capital city. The Government is exploring opportunities to co-locate UK Government offices abroad, where it makes financial and operational sense to do so.

I have consulted Home Office colleagues on the points that **Mr Ellwood** raised on Schengen Plus. They are aware of the proposal to simplify the process for obtaining a visa to visit the UK for those also travelling to the Schengen area and are working through the practicalities of what this would entail with corporate partners in the tourism sector in particular, but there are significant issues that we would need to resolve before such a scheme could be implemented. Chinese tourists travelling to the UK already receive a prompt and efficient service and we are keen to continue to build relations with China on visa issues and wider migration.

I am copying this letter to Andrew Murrison MP and Tobias Ellwood MP, and will place a copy in the Library of the House.

HENRY BELLINGHAM MP