

THURSDAY 26 NOVEMBER 2009

Present

Anderson of Swansea, L
Chidgey, L
Crickhowell, L
Hamilton of Epsom, L
Inge, L
Jay of Ewelme, L
Selkirk of Douglas, L
Sewel, L
Swinfen, L
Teverson, L (Chairman)

Witnesses: **Rt Hon Baroness Taylor, PC**, a Member of the House, Minister for International Defence and Security, **Ms Tracy Lerpiniere**, Head of NATO and Europe Policy, and **Captain Simon Bevan RN**, Deputy Head of NATO and Europe Policy, Ministry of Defence, examined.

Q1 Chairman: Minister, can I welcome you back to the Sub-Committee. Just to go through the housekeeping and health warning rules, this meeting is being recorded and it will be transcribed, Eventually the transcription will go on our website and clearly we will give you a copy of the transcription, which if you feel any of that is inaccurate then obviously you will let us know. You have got the questions there, perhaps it would be useful if you would like to introduce your colleagues first of all and then we will move on from there.

Baroness Taylor of Bolton: Tracy Lerpiniere is Head of NATO and Europe policy within the MoD, or one of the job share of two people who have successfully combined that; Captain Simon Bevan is the Deputy in that role and has had quite a lot of experience dealing with NATO and Europe over the years.

Q2 Chairman: Good. Welcome. In the past in these sessions, we have concentrated on the European Defence Agency and, to be honest, we think there are rather broader, at least as equally important issues and hence why we have broadened the questions out this time. Is there anything particularly you want to say as an opening statement, Minister?

Baroness Taylor of Bolton: No, no.

Q3 Lord Hamilton of Epsom: In your letter of 16 July, you wrote that the UK-France helicopter initiative is expected to deliver up to 12 helicopters by the end of 2011 for Afghanistan and other theatres. Obviously, the outcry for helicopters is growing all the time. Do you believe that there are enough helicopters out there now? Can I just add that when I was in Afghanistan in early July, it became quite apparent that it is slight shorthand to say that there is a shortage of helicopters. There seemed to be plenty of helicopters, what there is a shortage of is people to fly them and people to maintain them in theatre. Would you like to comment on that?

Baroness Taylor of Bolton: We have always said that helicopters play a key role, that commanders on the ground have enough for the tasks that they have in hand but, obviously, would welcome more. I think the figures in terms of the increase in number of helicopters, as platforms and indeed in flying hours, are in the public domain. By the end of January next year, flying hours will be more than 130% up on what they were in November 2006, so there has been a very significant step change there. The helicopter initiative is quite important and it has got people working together in different ways. It is producing more platforms and, in fact, the first that are going to be available under this initiative are the ones that the Czechs are having and upgrading. They will be available by the end of this year. The first one, I think, has already been flown and tested and they will be deployable very shortly. So, we are actually seeing some direct product of that initiative. But we are not just getting helicopters into shape for going to Afghanistan, part of the initiative is to improve training; training for

deployment, not just training per se, so we have had agreements and offers of help for climatic training, which is important for hot and high, which is the need in Afghanistan. That has been co-ordinated by the EDA, under one of the people we have seconded to that organisation. So, we recognise that there is a need on the training side, as well as the need on the actual platform side.

Q4 Lord Hamilton of Epsom: When it comes to the Czech helicopters, will they have defensive aid systems on them equivalent to those in the Royal Air Force?

Baroness Taylor of Bolton: Yes, we will not deploy helicopters for carrying personnel unless they have defensive mechanisms. The flares that have been fitted are British ones and we are very confident; the trials have been very successful.

Q5 Lord Hamilton of Epsom: When I was in Afghanistan, they were about to deploy four Merlins at that stage, I think the number has gone up to eight. The total number of Merlins that we have actually got of that sort is 28. It seems to be an extraordinary logistic confusion that we could not have actually trained more people, (1) to fly them and (2) to maintain them in theatre.

Baroness Taylor of Bolton: There has always got to be quite a solid base underpinning anything that goes for deployment. You have to think of the rotation of those involved, and you have to think of those who are in training, so we can never deploy a whole fleet.

Q6 Lord Hamilton of Epsom: You would not expect that, but you would expect more than eight out of 28.

Baroness Taylor of Bolton: I asked questions like that when I first went into the MoD. If you go through the way in which it is all structured, you have the numbers that are actually deployed, you have the numbers that are being trained to be deployed, which would be the

equivalent to those who are deployed, then you have the ones who have just come back from a deployment, and by the time you take out those three, you are up to 24 of your 28 and you sometimes need spare capacity for maintenance and things of that kind. I understand why you are asking the question because I asked similar questions when I first went to the department, but I think there is a logic and it is quite difficult to realise what that development is.

Q7 Lord Swinfen: Minister, two questions: the first one is that you said the number of helicopters was up 130% on November 2006, but how does that compare with the number of troops in the teeth arms on the ground? Because, if I remember correctly, they were a great deal smaller at that time. The other point that you have just talked about is crews and maintenance crews for helicopters, those who are on the ground, those who are training and those who have just come back. You were equating personnel to helicopters, but in actual fact you are not going to shift the helicopters out of Afghanistan because you have to dismantle them and fly them back and it costs too much. Surely, therefore, there is a possibility of actually employing more helicopters on the ground if you have the personnel properly trained to fly and maintain them.

Baroness Taylor of Bolton: Right, well, first of all the figures that I gave were actually on flying hours, not on the number of platforms. It is flying hours that have increased by 130%, or will have increased by January, 130% over November 2006.

Q8 Lord Swinfen: But you still need to support a similar number of people on the ground.

Baroness Taylor of Bolton: Yes, it still needs support on the ground.

Q9 Lord Swinfen: How does that compare?

Baroness Taylor of Bolton: Let me just give you the figure in terms of the airframes. Airframes at the moment are 79% up on November 2006; flying hours at the moment are 95%

up on November 2006, and it is flying hours that will be up 130%. In terms of the comparison with the number of troops, the question you asked there, we have got 9,000 people in Afghanistan at the moment. I cannot remember the exact figure for November 2006, but it would be 7,000 and something, maybe 7,200 or 7,400, certainly no more than 7,600, so the increase in troops, in percentage terms, is less than the increase in flying hours or, indeed, in platforms. So I think that answers that particular point. In terms of crews and maintenance, yes, we do not bring all the frames back but you must remember that airframes that are on duty in this intensive way require a great deal of maintenance and therefore they are not available all of the time, and you have to have some back up there. We do, of course, when we are deploying any helicopters, indeed, any platforms of any kind, have to do a lot of work in terms of upgrading, so that has to be taken into the process as well. Upgrading is not a thing that you do once, we are constantly improving the quality of equipment and the kind of protection that is available, things that can be achieved, so we have to upgrade from time to time and that affects availability as well because we want to make sure that we have the best equipment available every time we deploy people.

Q10 Lord Anderson of Swansea: Russia has made a contribution to the provision of helicopters in Chad. We know about the link with Ukraine, but is there any potential because of the mutuality of interest in Afghanistan in drawing on Russian resources, perhaps in a less sophisticated way, to assist in Afghanistan?

Baroness Taylor of Bolton: As I said earlier, any helicopters that we use for transporting people have to be fitted with every mechanism that we can provide and we would not want to take any risks on that basis. We are, as part of the multinational helicopter initiative, talking to former Soviet bloc countries about some of the older helicopters that they have, or some of the not quite so old and not very well used helicopters that they have, to see whether they can be upgraded and, in fact, that is the background to the Czech ones that are being deployed. In

terms of the contribution that other countries could make, that is something that is up to them. We do have discussions, we do have ideas about where we might work together, but so far we have not seen that much coming out of those discussions.

Q11 Lord Anderson of Swansea: Is there an active attempt to seek co-operation with the Russians because the old Warsaw Pact had a great number of helicopters?

Baroness Taylor of Bolton: Yes, and within the coalition we have some agreements. There are two Antonovs, which are on full-time charter, which are worked very heavily in terms of taking supplies into Afghanistan. That is not something we would use for people, as I say, but for the heavy lift on a lot of the cargo that needs to go, we do things there. There are support helicopter contracts also. Again, NATO has one with SELEX, we have one with Skylink, but we are very cautious about what we use for transporting individuals. We are careful when it comes to what we use for transporting cargo, but obviously the emphasis has to be individuals.

Q12 Lord Anderson of Swansea: The Germans have used Antonovs for heavy lift of materiel.

Baroness Taylor of Bolton: Yes, there is a contract, it is not just the Germans, there are two full-time charter Antonovs, which the coalition uses; it is mainly NATO countries but it also includes Sweden. We are part of that and we make good use of those two Antonovs which are flying into Afghanistan on a very regular basis.

Q13 Lord Inge: By your answers, Minister, you obviously recognise the huge importance of helicopters. What I am not clear on from your answers is how many helicopters they are short and of what type – I am talking about the British contingent in particular – at the moment in Afghanistan. When you say there are going to be 12 others by 2011, that is a long time down

in terms of the Afghanistan campaign. What numbers are we short of at the moment and when are they going to be delivered?

Baroness Taylor of Bolton: We say, and it is what the people in the field say, that they have sufficient helicopters, sufficient flying hours, for the tasks that they are undertaking.

Q14 Lord Inge: Does that mean some of the tasks are limited or are they doing all the tasks they want to do operationally?

Baroness Taylor of Bolton: You have got far more experience than me in this field and you know that anybody in charge will look at the tasks that they can do and tailor any operation accordingly to numbers of everything – personnel and whatever. I think the important thing to remember is that helicopters in Afghanistan are a pooled resource. Yes, we have British helicopters that are used for the main part for our people but we use and draw on other helicopter resources just as other allies draw on ours on occasions. We do not ring-fence our helicopter contribution, we make it available and we also call on others, so it is not that there is a specific shortage, it is that people in operations can always use more. That is why we have concentrated a great deal on getting Merlins there quickly, we know that we can always use more, we are hoping that there will be a significant announcement on helicopters in the not too distant future, but things have definitely been moving in the right direction. The increase in flying hours shows the good back-up that we have got in terms of maintenance, as was mentioned earlier, that is a key part of making sure that you have got that delivery. The support to operations in that respect has been critical in terms of improving the flying hours that have been available.

Q15 Lord Inge: So what you are really saying to me is that with the improvements that have been made there has not been any significant impact on operational effectiveness.

Baroness Taylor of Bolton: That is what I believe¹.

Q16 Lord Crickhowell: Just a question on the scale of this helicopter initiative: I am reading from your letter of 16 July, where you talk about £27 million so far contributed by 16 nations and additional funding up to £50 million would further increase these numbers. Then on the last page, you put all that rather into perspective when you say that over the next ten years, we – the UK – are planning to invest some £2.5 billion in upgrading over 200 helicopters and some £3.5 billion in acquiring over 120 new helicopters. £27 million as an initiative hardly scores on the small end of any Treasury numbering. If we have got a useful initiative, why is it on such a piddling scale?

Baroness Taylor of Bolton: I think we are getting countries that would normally not be considering deploying helicopters to join the operations in Afghanistan. The three Czech ones that I mentioned, which are going to be deployable by the end of next month, is a new development because it is bringing together people and resources that were not there before. So, we are doing several things: we are increasing the number of helicopters that will be on operations; we are doing that with the trained personnel that will be required to fly them and we are bringing together people who would not normally co-operate on an initiative of this kind. So, you have countries that are willing to fund, countries that are willing to provide helicopters, countries that are willing to train pilots or provide pilots, and that is quite promising in the long-term in terms of that level of co-operation. Yes, Britain is doing a lot more by itself. You have got to remember that our defence budget is so much higher than the defence budget of most of the countries that we are talking about. Our contribution is undoubtedly greater in Afghanistan and, indeed, in other ways, but if we can encourage other countries to consider what they could do and what contributions they could make, then I think

¹ Baroness Taylor has clarified that the measures put in place to improve the use made of the UK's existing helicopters do not result in either the over-use or the degradation of those helicopter assets or their operational effectiveness.

we are pushing the boundaries out somewhat in terms of burden sharing, and that is an important principle that we need to get embedded in a whole range of areas.

Q17 Lord Chidgey: Minister, moving on, if we may, to the ESDP operations concerning the pirate problem. In her letter of 19 October, Baroness Kinnock wrote that pirates have expanded the geographical extent of their operations, in particular to avoid the areas of operation of international maritime forces. Minister, what are the current trends in terms of the geographical extent and frequency of pirate attacks off the east coast of Africa and in the Gulf of Aden?

Baroness Taylor of Bolton: It is true that the instances of piracy have moved into a wider area taking up the broader Somali Basin. I think some of these are up to 1,000 nautical miles off the coast, which is a vast area. We are seeing an increased use of mother ships supporting the pirate operations and that in itself creates new challenges, given the vast area that we are talking about. That does mean that we have to consider whether we need to adjust what we are doing. It is important to realise that in the last 12 months there has only been one successful attack on a ship, which had been complying with the best practice that we are trying to make sure that all shipping using that area does comply with. What happens is that there is a whole mechanism and co-ordination from Bahrain and advice is given to shipping in the area and if that advice has been followed and it is basically using the right routes and the right timings and so forth, co-operating with the ships that are in the area, we have only had one which has been pirated.

Q18 Lord Chidgey: Minister, if I may just add to that or question a little further, we should not, I take it, assume that all ships can comply with the measures that are proposed and I think we should look at it in a wider sense. Inevitably, there are some ships that cannot do this. How many ships in total have been attacked, not just those that have been able to comply with

the measures that you are suggesting? There is the British couple, of course, who are currently held hostage.

Baroness Taylor of Bolton: There is the yacht. A yacht is in a vulnerable situation anyway and that creates a different kind of difficulty. At the moment there are 11 ships that have been hijacked with 254 crew held hostage. There was another one until last week, when the Spanish did some kind of arrangement.

Q19 Lord Swinfen: You mean they paid a bribe?

Baroness Taylor of Bolton: I do not know. I would not have been party to anything that the Spanish did. All I know is that a Spanish vessel was released last week.

Q20 Lord Chidgey: One element that is particularly concerning in this regard is not just the Somali or the Yemen pirates, whatever you want to call them, although clearly this is a way of extending their income in a rather bizarre manner, what is concerning me particularly, Minister, is now what appears to be the intervention of Islamist terrorists who appear to be moving into the territory to pick up on the hostages and for other reasons, and for reasons of greater concern to the world at large. Can you tell us what the reaction of the Government has been to this and what discussions you are having about this particular development with our EU partners?

Baroness Taylor of Bolton: There have been very strong discussions. You did ask about failed attacks and I should mention that there were three last week attempted piracy attacks on significant shipping. In terms of international Islamic terrorism, everybody is worried about Somalia per se. The piracy problem is something that is very immediate and very important to trade routes, to the World Food Programme, to getting assistance to areas where it is needed. That is why we have been able to get the international response that we have had, partly through Operation Atalanta, but also through NATO and bringing in other countries

with which we would not necessarily co-operate on a normal basis. The Russians, the Indians, the Chinese all have an interest in making sure that piracy in this area is contained as much as possible and reduced as much as possible. We are all very clear that the reason that piracy has been given a free hand in this region is because of the situation within Somalia itself. Within the EU there have been significant discussions, most recently at the last meeting earlier this month, about whether there is a role for the EU and what that role could be. Consideration has been given not to sending a force to Somalia but maybe bringing some of the security forces out of Somalia to a neighbouring country for training, which has gathered some support within the EU and we are now looking at the real feasibility of that kind of operation and who could help. It is not easy. The French have tried this in Djibouti and brought out some of the security forces. The problem is, not just training them but how you integrate them back and how they are supported and remain with the transitional federal government rather than going off and doing their own thing, which involves making sure, for example, that they are paid when they get back, and that was one of the problems of the recent experiment. The French described it as “a test and a trial” and acknowledged that there were significant problems. Any EU mission of this kind would have to take on board some of that French experience and that is why people are looking very carefully to make sure that it is a well-organised initiative. There is agreement in principle that we will look at this and examine it further, but there has not been a decision in practice to go ahead with this at this stage.

Q21 Lord Inge: How much knowledge do we have of those who have paid a ransom to the pirates quietly and just got on with their business? Do we have a feel for the scale of that?

Baroness Taylor of Bolton: We do not know because people keep that very close to their chest. We have got a very clear policy of not paying ransoms. We hear rumours and there are

press reports, but the reality is that people do not come up and tell others exactly what they have done.

Q22 Lord Inge: As far as the European Union force – the main one – what capabilities do they lack to really be as effective as they should be? I am not just thinking of the incident of the people with the yacht.

Baroness Taylor of Bolton: No, no. Operation Atalanta has been pretty successful and it has been important in terms of helping to co-ordinate all the activities there. Britain has played quite a lead role in this in terms of regional co-ordination in that area, the contact group and I have had the chance to go out there and visit them and see how dependent people are on them. It is working well. In terms of lack of resources, I am told that there is a slight reluctance on the part of some who are contributing to stay out there over Christmas, and people want to come back, but that is being dealt with. The real issue that we have had has been in terms of maritime surveillance. That is a pressure point in lots of ways and we have been asking people to contribute more. We have some cover and it is not quite as great as we would like, but there has been some progress there. That has been the one area where there has had to be significant discussions with colleagues, our allies, to try to get a better situation. Quite a few countries have been willing to assign ships for certain periods of time, but it is maritime surveillance that has been the significant problem.

Q23 Chairman: At a conference I attended for the Swedish Presidency, this matter of all the boats going back for Christmas was one of the ones that came up from the Admiral. It was quite obvious that the people who would really be celebrating Christmas would actually be the pirates rather than the people back home.

Baroness Taylor of Bolton: I do not think it is quite as bad as *all* the ships going back for Christmas, it was an issue that was raised as to which ones could and which ones could not. Perhaps they all wanted to, but I do not think it is going to be quite as bad as that.

Chairman: I am sure it is being controlled.

Q24 Lord Crickhowell: You have already answered the second question that I was going to raise about training Somali armed forces and so on and I do not think I can pursue that further. You have begun to answer the first one, which is the adaption to changing circumstances. You said there was a need to adjust what we are doing. It is a considerable time since we had the Admiral in here and cross-examined him about the operation and so on, but I would be interested to know what adjustments have been made of significance and particularly, I do not think you gave the answer when replying to Lord Inge, the numbers of ships. Have we now got more, are there significantly more, is there a need for more? On the intelligence, you talked about aerial surveillance, but what about wider intelligence? Are we adequately getting or could we get more intelligence out of the bases, for example, where they are operating and the general likelihood of attacks coming? How are we adapting is the basic question I am seeking?

Baroness Taylor of Bolton: On that last point, I have to say that I do not think we have got much information coming out of Somalia. It is a very difficult country to read, it is a very difficult country to access. It is a very difficult area from which to get that kind of information. In terms of adjustment, I mentioned earlier the problem of wanting more maritime surveillance, that was partly because the area that we are covering is now so much greater and, therefore, that kind of surveillance is important. We have got to remember when you ask what adjustments we are making, that it is not just an EU mission. Atalanta is very important, but it is only a part of what is happening in terms of that whole region and deterring piracy. The NATO missions are important, and I also mentioned the other players

that do not normally participate in joint missions. It is a whole combination – the Chinese are interested, the Russians, the Indians, NATO, EU – and, of course, we have to work very closely with the shipping industry because they are quite critical also in terms of making sure that the information flow is correct. So, it is a very wide operation with a lot of different facets and indeed the headquarters in Northwood have people, not just from the EU, but also from the shipping industry to make sure we have got co-ordination there. There is a whole range of people involved and it is making sure that everyone is working the same way that is critical. The work that we are doing with China is really breaking new ground in terms of co-operation and I think they are being increasingly integrated into the operation that exists. So, yes, the area is expanding, but so is the interest from other people and so is the co-operation that we are getting from the shipping industry.

Q25 Lord Sewel: This is just a minor point. I was recently at the specialised NATO maritime research facility at La Spezia and on surveillance off Somalia they certainly had the feeling that they thought they could make a significant contribution to developing surveillance techniques and had some surveillance techniques ready, but they were not really being called upon. The Member States were not using the facility that was already there and the capability that was there. Have you got anything on that?

Baroness Taylor of Bolton: Sorry, is that undersea, that research centre?

Q26 Lord Sewel: Well, the interesting thing is how you use undersea and oversea as well, and that gives you a very good picture.

Baroness Taylor of Bolton: I am sure it is being explored and I am sure that people are aware of that. The information that we get from aerial surveillance is what people are geared up to use and can use quickly, so that is why there has been an emphasis there. If there were any scope for anything else, then I am sure people would be looking at it. I will certainly look at

that, but I am told it is a bit more long-term in terms of research. We will double check on that and come back to you.

Q27 Lord Swinfen: You mentioned earlier the identification of the pirates' mother ships, through surveillance. Is there any effort being made to stop and search them and then when they have found the evidence, impound them?

Baroness Taylor of Bolton: There are quite clear rules. It is the Law of the Sea that allows you to take action, but there are quite clear rules about when you can and what is pirate paraphernalia, and things of that kind. What tends to happen is that if you are really getting close to a ship, they dump whatever might be incriminating and so, yes, they may have to go and get some more equipment, but you have not moved things much further forward because you have no evidence and you can only act when there is evidence. There are clear rules of engagement there and they know exactly what to do and when. By and large, the people who get caught are some of the smaller ones who are doing it for their own benefit, but may not be the actual organisers who may very well not be on the boat at all but safely onshore and directing operations from there.

Q28 Lord Swinfen: It is the same reason for international law we cannot disrupt the pirates in their lairs on land.

Baroness Taylor of Bolton: It would be very difficult to do that.

Q29 Lord Hamilton of Epsom: Are there any plans to change the rules of engagement?

Baroness Taylor of Bolton: Not at the moment, no. I know that the Americans have looked at the situation of what they could do for pursuing this on land, and one colleague in our House did say, "Why could we not just fire at them?" I think that would be somewhat non-discriminatory and cause us some difficulties.

Q30 Lord Swinfen: When you say there are difficulties on land, do you mean physical difficulties or legal difficulties?

Baroness Taylor of Bolton: I think legal difficulties. If you just start firing at areas where you think the pirates might be based, you would need evidence that you were acting proportionately and that would be difficult to attain.

Q31 Lord Swinfen: Going on to the Yemen: to what extent, as far as we know, are the pirates using Yemen as a base now, particularly as it is becoming increasingly unstable with civil conflict and what action do you think the EU should take to address this increasing problem?

Baroness Taylor of Bolton: I have to say that I do not think the EU can address and solve every problem that comes up in the world. You are right when you ask about the Yemen because the situation there is extremely difficult and we, of course, monitor that situation very carefully. At the moment, we do not have evidence that suggests that the pirates are using Yemen to stage attacks and, in fact, in that area we think that human trafficking is probably a bigger problem than piracy. Whatever the problem, it is difficult to see what it is that we could or should be doing at the moment to intervene in a situation like that.

Chairman: I need to move on from piracy. One of the issues that this Committee is interested in is EU-NATO relations, which are not specifically on the sheet here, and perhaps I could ask Lord Jay to ask something about that, but I am going to try and contain the ongoing discussion from going on too long.

Q32 Lord Jay of Ewelme: I wanted to follow up the question which William Wallace asked in the House yesterday afternoon, which was about the apparent desire on the part of the US Administration under Obama to see a stronger European grouping within NATO, and I wondered whether you interpreted that as a political statement about the need for a stronger

European presence within NATO or, as Lord Inge would see it, as a sign of continuing US frustration about the lack of European capability and will within NATO, and whether you thought, in any case, it was a good idea and how it might impinge on NATO-EU relations and in particular the need to get a closer relationship between ESDP and NATO? I know that is a big question but it seems to me that there are some pretty key issues here.

Baroness Taylor of Bolton: There are some key issues and in one sense we cannot answer that question this side of the pond, because you are asking about changes in American attitudes and it is how we interpret those changes and is it a change. I was in the States recently and I think that the whole question of the mission in Afghanistan and burden sharing has made the Americans just think about how they consider Europe. There is no doubt that we have had the longest, deepest relationship with the United States and when you look at Afghanistan, we are their biggest partner there. So, I think that situation will remain. Obviously, with France coming back into NATO, and having a presence even in Norfolk, Virginia, now at a very senior level, that is beginning to make them think, “Well, what is the European dimension here?” I do not think that there has been a sea change in terms of how the Americans think. I think they are beginning to re-examine, not necessarily consciously but subconsciously, the fact that these issues are coming up more and are on their agenda more, is making them feel their way a bit more about what Europe is about. So, yes, they want Europe to be able to pull its weight in the world, but by that do they mean a totally separate player or somebody that can take part in burden sharing on a stronger basis? I think that the Americans would like European capability development to be improved, to go ahead, just as we would. That is one of the frustrating things within Europe. Whether they mean a stronger Europe as a separate player or a stronger Europe as a partner to them, I am not sure. Long-term, it is very much in our interest to make sure that we maintain the depth of the relationship that we have with the United States.

Q33 Lord Jay of Ewelme: Is this causing us to rethink ourselves also what the role of the EU might be within NATO, and if there is going to be a change, even a long-term change, in the United States' thinking, that presumably is going to affect our own attitude towards NATO and European co-operation?

Baroness Taylor of Bolton: Yes, but we want to improve NATO-European co-operation anyway. It is ridiculous to have duplication in the way that sometimes exists. There is a great deal of scope for Europeans working together, but I get very frustrated when I hear people talk about that and assume that you need new superstructures in order to do that. One of the good things that has come out of Atalanta is that we have had a quick response to a crisis without any new superstructure. We have an operational headquarters and what more do you need; being based in a very suitable position for obvious reasons. What we have to make sure is that we have co-operation that is delivering something, that we reduce duplication – there is all this talk about the comprehensive approach – we have got to get civil and military co-operation, which means that the EU and NATO have to co-operate as much as possible. We have only got one set of forces; it is not as if we have a separate set for NATO and a separate set for any EU mission, so we have to have good levels of co-operation.

Q34 Lord Hamilton of Epsom: Can I just pick that up. You say you do not see a sea change. As you know, we have been considering China and doing a report on that. I did not go to China, but those who did found that the G2 was very much up and running and surely we are now reaching a point where America is starting to look in a completely different direction. I am not saying it is going to change overnight, but I think we are at the point where the whole interest of the United States is now going to turn and look in a totally contrary direction. Therefore, the first stage, if I were the Americans, would be to say, “Yes we are working in partnership with you, we do want to see Europe stand more on its own feet”, and that is the first step before they then say, “Right, you can get on with your own

defence, you have not helped us much in places like Afghanistan anyway; we do not think you are up to very much” – I am talking about the Americans, the Europeans rather than the British – “we do not think you are up to very much, but at the end of the day why should we be responsible for your defence when you do not help us and really our whole interests now are switching to a totally different part of the world: there is China, India, the Pacific region, Japan and so forth”. I think we are seeing a sea change. I think this is the start of something very major.

Baroness Taylor of Bolton: I think in terms of globalisation and the emerging economies, then the analysis in terms of its centres of activity and areas of concern cannot be faulted. I do not think that the logic of that means that we reduce our working with the Americans, or they would want to reduce their working with us, or us as Europeans. I think that the real thing that we have to be doing is making sure that European capabilities are what they should be for European interests. The fact that we spend so much more than almost all other European countries, that the disparity between what we spend and the French spend, and everybody else spends, is just so great that we have to get other European countries considering what it is that they think their role is. We are clearer about our role and our co-operation with others and pulling our weight than quite a lot of others are and that is why we have to keep the pressure on them to step up to the mark.

Q35 Lord Anderson of Swansea: Minister, the mission of the European Defence Agency is to improve the military capabilities for ESDP operations. That means that we and the French, as you say, are the biggest spenders on defence, perhaps more contributors than beneficiaries – our R&D, our technical expertise, and so on – so what value do we, as the UK, find in the European Defence Agency?

Baroness Taylor of Bolton: The European Defence Agency has got potential. I am not sure it has fulfilled all the potential that it has, but there have been significant improvements. If we

get on to the budget later, maybe we will mention some of the prioritisation that I think is needed. I can give a couple of examples where we feel that the Agency has had a positive contribution. One would be the issue that I referred to earlier, the training programme in terms of the helicopter initiative, where they have been joined together, there is potential for co-operation there. The other example I would give, where some progress has been made recently, is on military airworthiness certification. At the moment, whenever there is a new plane, every element of that plane has to go through domestic certification, even if it is a joint project, as with Eurofighter, or whatever. This can lead to serious extra costs, because everybody is duplicating and doing the same thing, but also because you are always waiting for any part, any element that is important, to go through every single country it can also cause delays to a project. The savings that have been suggested, if we had common airworthiness certification, are absolutely huge. Real progress is being made on this at the moment and we want that to go forward. Maybe a similar kind of approach in other areas could provide savings as well.

Q36 Lord Anderson of Swansea: So how, in your judgment, would it affect our interests if we were to withdraw and what would be the response of key allies like France and Germany, if we were to withdraw?

Baroness Taylor of Bolton: There are two separate points to that. One is what would it do for our relationships in terms of co-operating and in terms of our reputation and clearly our allies would be pretty disappointed to say the least if that were the case. But there are practical issues where we can get benefit, as the ones I have just mentioned. There is also the real leverage that should be there for the original purpose that you mentioned of improving military capabilities amongst others. One of the problems we have is that we cannot always participate in some of these projects because we are more advanced than others, and that

causes us a problem in terms of participation, but we can use prioritisation within the EDA in order to try to make sure that others improve their capabilities.

Q37 Lord Anderson of Swansea: You attended the recent ministerial steering group. Were you broadly happy with the conclusions?

Baroness Taylor of Bolton: Yes, I was, and it was different from some of the others. One of the officials who accompanied me had never been to one before and was waiting for the big rows which did not happen, which either meant that our officials had smoothed the way beforehand, or, I think this is more to the point, there was a level of realism about the issues that were being discussed, which I thought was good.

Q38 Lord Anderson of Swansea: Good. Just a broad one on our own expertise in key areas such as, for example, protection against the IEDs, the improvised explosive devices, and air transport. Is there, in your view, scope for us to share some of that expertise more actively with our European partners through the EDA, and do we have any plans to participate in the European Air Transport Fleet project?

Baroness Taylor of Bolton: On the latter, at the moment we do not but we are looking at the possibility of doing something in that area. There is now a more modular approach to that and, therefore, it may be that we could participate in some elements, so we are still looking at that. In terms of sharing expertise, I think that expertise is one of the things that we provide most to the EDA and, indeed, to colleagues. We have a high level of expertise across a whole range of fields, and I mentioned helicopter training earlier.

Q39 Lord Anderson of Swansea: Specifically on IEDs?

Baroness Taylor of Bolton: On IEDs, we are trying to support their work but we have got some issues of national sensitivity. Therefore, whilst on operations we work very closely

with our allies, often this is on a bilateral basis. It is quite difficult to share within a box, shall we say, even if we allow people to use the box, we do not always want to share what is within the box. There are issues of national sensitivity and on occasions commercial sensitivity that we have got to be wary of, but when it comes to actual operations, we do work very closely with our allies in practical terms.

Q40 Lord Anderson of Swansea: They are allies, their soldiers are as likely to be blown up by IEDs as our own.

Baroness Taylor of Bolton: They are if they are operating in the same areas. We do co-operate with those who are operating in the same areas. Many of these are not.

Q41 Chairman: Before I bring Lord Hamilton in, who I know wants to ask a question, perhaps I could just come back to the broader area again on the EDA. I and I think a number here attended a recent meeting of the Anglo-French Council on defence issues and there was some frustration – there were a lot of defence contractors around the table, as well as politicians, academics and think tanks – that with the sort of budgets, as you say yourself, that France and Britain have, that there is not much more co-operation in terms of joint development. You were saying about not inventing structures and so, in some ways, the EDA being a structure, may be the obvious way to pursue that forward, and there was a great feeling that should happen. On the other hand, perhaps realpolitik moved in to say that there was absolutely no way that was going to happen if it involved joint technology development, on which we had a particular strong relationship with the Americans and no way were French were really going to be able to share that because it was not completely secure afterwards, although that is not quite how it was put. Is there much scope for that in reality or does nationalism come in, or does Washington, the Pentagon, have a veto?

Baroness Taylor of Bolton: Nobody has a veto about what we do and, in fact, France is our second largest bilateral partner in terms of projects after the United States. We do have a High Level Working Group, which I chaired for some time, between ourselves and the French and we discuss at that things that could possibly be developed together in the future and where we could work together. I do not want here to go into the details of the areas that we have been looking at but they have been very practical ones and I think they do not come instantly but we are looking – especially with the French – at some very interesting areas of co-operation. You have to be realistic about co-operation on an international level. For a new project, you have to have very similar requirements over a very similar timescale and you have to have common budgetary facilities. So, you have to get a lot of things together before you can have a very big project on a bilateral or multilateral basis. Notwithstanding that, I think that is a difficulty but there is a great deal of potential providing there is a willingness and providing you know early enough what it is that is going to be developed down the line. It is difficult to do it instantly, though I think there are areas where we can make significant improvements. It is not always that easy; it has to be worked at and perhaps it has to be worked at over a long period of time. I think that the High Level Working Group has made a difference to our understanding of each other's potential needs over the next few years and there are some leads that are being followed up for work in that area. You have to have everything running in parallel before you can have that successful co-operation.

Chairman: I think that is being mildly optimistic perhaps.

Q42 Lord Inge: Very quickly, could you give us an idea of what some of these areas you say we might co-operate in are?

Baroness Taylor of Bolton: I would rather not do that at this stage. I am not sure that we have gone public on much of them and I would not want to give leads that might lead to nothing.

Q43 Lord Inge: Thank you for that very encouraging reply.

Baroness Taylor of Bolton: I would rather hold out the carrot and the hope.

Q44 Lord Hamilton of Epsom: To follow up on everything you have said, I totally agree that you have to get all these ducks in a row and that is really the problem when you are talking about multinational projects. We have had a very bruising experience, have we not, in the past of vast sums of money being spent, cancellations of really very major projects, which we signed up to originally, and so forth? Just to add to that, we are now on the A-400M – which I notice was not mentioned in the briefing – that seems to be going about as disastrously wrong as anything possibly could. Are we not really so bruised on this now that we are going to be extremely wary to get involved in a European collaborative project of that sort of size again?

Baroness Taylor of Bolton: We are involved in collaborative projects, not just with the Europeans, JSF is probably our biggest at the moment.

Q45 Lord Hamilton of Epsom: I am talking about Europe.

Baroness Taylor of Bolton: They are all subject to potential difficulties in terms of costs and, as I mentioned earlier, on certification there can be delays for what seem like reasonable reasons, but if you could get different types of co-operation and common airworthiness certification in that particular area, if we could do that in other things as well then we might be making significant progress. Yes, international co-operation is not easy. On the other hand, the pace of change in terms of defence procurement is such that dramatic improvements are being made all the time in capabilities and I do not think that any one country is going to be able to afford the absolute best cutting edge of everything. One way of dealing with that challenge will be to look where you could co-operate with others. You have to do it carefully, with your eyes open, knowing all the issues, but if we do not look to co-operate then

inevitably we will not be able to have the very best of everything and be at the cutting edge, which is where we want to be.

Q46 Lord Selkirk of Douglas: Minister, some observers have criticised the apparent reluctance of EU Member States to deploy their Battlegroups. The United Kingdom is due to make a Battlegroup available with the Netherlands during the first half of 2010. Can you give us an indication as to the circumstances in which you might envisage this Battlegroup either being deployed or should be deployed?

Baroness Taylor of Bolton: Yes, we have got the Battlegroup for the first part of next year. Just this week, in fact, I think it was yesterday, the Battlegroup was certified, which meant it has all its demonstrations on Salisbury Plain with the exercise that was viewed by other EU representatives and others, and apparently everybody was very impressed, which is good news. In terms of asking me when it is going to be used, no, I cannot answer that question because it is in essence for response to a crisis. If we could predict what the crisis would be then we would not be using a Battlegroup, we would be using force generation. There is an important point that Battlegroups should not be a substitute for force generation.

Q47 Chairman: Could you just define force generation?

Baroness Taylor of Bolton: I mean force generation a planned operation, such as Afghanistan, or the Balkans or wherever. So it is not that force generation is down, it is not meeting the targets, let us use a Battlegroup. The Battlegroup is there for response to crisis and, therefore, we should be wary of that. There has been some disappointment on the part of some countries that they have prepared the Battlegroup, gone through training, and it has not been deployed. Therefore, under the Swedish Presidency, there has been discussion as to whether one of the two Battlegroups should be available for deployment if the countries that formed the Battlegroup wanted to deploy in a different way. That is something that can be

done in certain circumstances, but we would want to see Battlegroups really being available to respond to a crisis.

Q48 Lord Selkirk of Douglas: I have a very quick follow-up question. Does the Minister consider enough is being done to persuade other EU-NATO countries to make a sufficient contribution?

Baroness Taylor of Bolton: We are certainly trying to make other countries give a sufficient commitment and, indeed, one of the reasons why the whole question about use of Battlegroups has come up is because some countries say, “Well, if we are going to take part in the Battlegroup, either form one ourselves or form one jointly with somebody else, and then it comes to nothing, maybe we will not want to do it next time”. The points that are being made now and the approach that is being taken now, where one Battlegroup would always have to be on standby, but there could be circumstances if the contributors to a Battlegroup wanted to deploy it in a particular way, with the approval of everybody else, that might be possible. One of the things we are trying to do by the Battlegroup idea is to help with the transformation process and help improve the level of capabilities generally, so that people would want to participate in Battlegroups but would also want to be willing to bring their forces and their equipment up to the relevant standard.

Q49 Chairman: The particular issue that the Nordic Battlegroup had was around Chad and the expense of however million euros for having it on standby and then not being used for that. I am interested in whether the British Government feels that perhaps Chad was something that could have been done? Or, if not, what is now seen as a classic opportunity for a Battlegroup to be used? Because there is a feeling that at the end of the day if there is always a reason for not using them, that confidence will go away.

Baroness Taylor of Bolton: I do not think that we should always find a reason for not using them. If there were a crisis that needed a response in a very short timescale, then we would want to use a Battlegroup. The idea of following the Swedish initiative to discuss this of keeping one on standby, but allowing the other one – because there are always two – to deploy, if appropriate, I think gained widespread support. I do not think we would ever want to go away from keeping Battlegroups, and we would not want to get to a situation where force generation was inhibited because others thought that the Battlegroup would go and fill that gap.

Q50 Chairman: Forgive me, I am trying to understand, may be from looking at an example in the past when one almost would, without great debate, use a Battlegroup. What are those situations?

Baroness Taylor of Bolton: If we knew what those situations were, we would be getting time lines for force generation, so they have to be for things that arise that we have not anticipated.

Q51 Chairman: I suppose I am asking you to hypothesise or to look back at pre-Battlegroup and give me an example of when they would have been used, if they had been available.

Baroness Taylor of Bolton: Well, I cannot. There could be peacekeeping situations where you could have pulled people in had Battlegroups been available, but the essence is that they are for crisis management, things that are not predicted, and the danger is that people who do not want to participate and pull their weight on burden sharing will say, “Well, we do not need to contribute to that because the Battlegroup can step in”. That is the area that has caused concern and where the discussion has centred.

Q52 Lord Jay of Ewelme: Let us suppose there was the equivalent of the breakdown in government in Sierra Leone, which caused us to intervene last time. Is that the sort of

circumstance in which you might say, “Well, this time round let us have a Battlegroup”? In other words, a sudden breakdown in law and order in an African country that, say, is in our interest, or the French interest to put right?

Baroness Taylor of Bolton: There is potential there, but danger there because under whose auspices would you be going in? That is why I say you cannot really anticipate. There could be peacekeeping situations, there could be evacuation situations because something comes up in a country such as that. So, yes, there might be a request and need for peacekeepers there, but going into any country is always complex because you have neighbouring players, you have other regional players, you have the African Union, you have all the other missions that might have a role, so you have to do this warily. If we say peacekeeping or evacuation, I think they are clear potential emergencies where a response from a Battlegroup might be appropriate.

Q53 Lord Hamilton of Epsom: I think my Lord Chairman’s remarks may have been slightly prompted by Bob Walters’ view that if you do not use them, you lose them. But on the other hand, let us look at the practical situation in the United Kingdom. We were the Battlegroup, I think, a year or so ago. If we had been deployed, it would massively increased the overstretch in the British Army. They were not sitting on Salisbury Plain thinking, “God, this is absolute hell, we are all training for something that is never going to happen”. They were thinking, “This is a heavy relief, we have got a home posting, we are not actually in Afghanistan or somewhere else”. Would it not have been devastatingly awful for the British Army if our Battlegroup had been deployed?

Baroness Taylor of Bolton: You have to remember that any deployment of UK forces will be decided by the UK Government at the end of the day.

Q54 Lord Hamilton of Epsom: So, we have the veto, you mean?

Baroness Taylor of Bolton: We do have the ability to take into account all of those factors.

Q55 Chairman: That is an interesting point that Lord Hamilton makes here. There is a veto at the end of the day, clearly as sovereign nationals we do not have to comply?

Baroness Taylor of Bolton: Yes.

Q56 Lord Inge: It seems to me that there are very few situations where a Battlegroup, on its own without another one then coming behind it and being prepared, is going to exist. You get a real sense of this idea of politics being more important than developing proper military capability.

Baroness Taylor of Bolton: I see where you are coming from, but the example that we have just used of evacuation might be an appropriate one.

Q57 Lord Inge: Those are fine. We used to have a spearhead battalion which could go, but this has become rather more significant than the spearhead battalion. The spearhead battalion always had people behind it that could, if need be, reinforce.

Baroness Taylor of Bolton: Yes.

Q58 Lord Anderson of Swansea: Minister, the military response to a crisis is almost invariably insufficient and needs a civilian component. I notice that the ministerial declaration ESDP Ten Years of 17 November said that there will be new parameters for rapid civilian deployment and continued development of civilian response teams. Are you able to say a little more about those civilian response teams? Will they modelled in any way on these inactive Battlegroups?

Baroness Taylor of Bolton: I think that a whole number of countries are looking again at what they can do in terms of civilian response teams. We have our own people in developing

a sort of civilian reserve who could go and be deployed if there were things that it was appropriate that they should do.

Q59 Lord Anderson of Swansea: How much work has been done on them?

Baroness Taylor of Bolton: It is still very early days.

Q60 Lord Crickhowell: Lord Hamilton neatly prefaced my question because he and I together visited the last British Battlegroup under training under the command of Brigadier Butler before he left the Army, and we saw what a tremendous training operation it was. I recall with that particular Battlegroup the regiment had just returned from Afghanistan and it was expected pretty confidently that as soon as they had finished their Battlegroup duties, they would probably be back there again. So my question about the present British contingent is, will it have sufficient opportunity to recuperate and train in preparation for possible deployment? Where did they last serve? Here we are, we have heard one side of the story. The real anxiety is that if you spend £1 million preparing a Battlegroup and then it is not used. The other side is that we have the Battlegroups in a hideously overstretched Army, in and out of Afghanistan and so on, either as whole regiments or partial regiments, how really are we able with our other immense commitments at the moment are we adequately able to maintain a Battlegroup without stretching our forces even more?

Baroness Taylor of Bolton: Of course, we have got significant numbers of people in Afghanistan – 9,000 at the moment. On the other hand, we are not now in Iraq, so that does make difference as well in terms of planning. In respect of the Battlegroup that is coming up, the basic answer to your question about having sufficient opportunity to recuperate and train, the answer to that is, yes, they have. The British contingent – 42 Commando – has had time to recuperate before starting training. That is something we set great store by. It is undergoing training now. There is no additional training of the Battlegroup but it was having

training for the joint rapid response force. If the Battlegroup were to be deployed in a crisis situation, then there would be a potential problem with harmony guidelines, but we would only deploy in a crisis, and in a crisis you take other things into account. Yes, they have had sufficient time for recuperation and, yes, they have had a session of training since that time.

Q61 Lord Crickhowell: Where did they last serve and when? To follow up Lord Inge's question, if they went into this crisis situation, what would we then do about the follow-up? It is a key point to which I am not sure I know the answer yet.

Baroness Taylor of Bolton: It is. Their recovery time from their last deployment in Afghanistan ended in mid-year, this year. That is their recovery time.

Q62 Lord Crickhowell: So, a short time ago?

Baroness Taylor of Bolton: Yes, for recovery time, but then they would automatically have gone on to another training because we do not leave forces sitting around anyway. It is a constant changeover in terms of what their responsibilities are. In terms of once an operation is launched – and going back to Lord Inge's question that you wanted me to follow up on – the Battlegroup is for the immediate crisis response. If it becomes an operation, then you have to have the normal mechanisms of force generation to reinforce that, if it is that kind of operation. I think there are things that could be in and out, but if it is something bigger then it is probably something that you would be into force generation for anyway, even if you took more time to do it.

Q63 Lord Sewel: Within the Lisbon Treaty we have got the provision for the establishment of Permanent Structured Cooperation. Now, at the time when the Select Committee was carrying out its inquiry into the Treaty, the then Minister for Europe – and I confess I am not quite sure which Minister of Europe in the sequence that was – wrote, "it is likely we would

hope to launch PSC as soon as practicable after entry into force of the [Lisbon] Treaty, in cooperation with other like-minded Member States.” Two fairly brief and easy questions: when do we think it is likely to come into force; when would you like it to come into force and what would it actually deliver?

Baroness Taylor of Bolton: There has been some informal discussion about this amongst ministers, but it is early days. The idea behind having a “club within a club”, as I heard it called, is so that people would want to join and would raise their game, in terms of their defence spending, their defence capability, and that this would then again act as a lever on those countries that need to improve their capabilities.

Q64 Lord Sewel: Is there a possible danger that it is the other way round?

Baroness Taylor of Bolton: Yes, of course, there is always a danger and that is why you have got to look at where you set the bar. We would like the bar set in such a way that there is a positive leverage on those who would want to join. There has been some discussion, as I say, but it is pretty early days and we certainly think that it should be used as a means of leveraging up capabilities rather than anything else.

Q65 Chairman: To follow up on that, the ESDP comes under the High Representative. How do you see that relationship playing out between the Military Committee and the High Representative? Is that well defined now? It is an interesting role putting, if you like, the foreign policy and defence and security absolutely under one hat, literally, is that going to work well?

Baroness Taylor of Bolton: I think there is a direct logic because how do you separate foreign policy from defence policy?

Q66 Chairman: We do in national governments, do we not?

Baroness Taylor of Bolton: Well, do we? We work very closely with other departments. The Ministry of Defence does not have a separate policy on any country or any area of involvement.

Q67 Chairman: Separate departments.

Baroness Taylor of Bolton: Yes, separate departments, but we are now talking more and more about the comprehensive approach, as I mentioned earlier, and the co-operation between civilian and military and the fact that there are no simple answers to any of the problems that exist. So, I think we are going to have to get used to talking about CFSP, which I have to look at every time I say it – the Common Foreign and Security Policy – and I think it should work well. The important thing is that we get people working together closely, not duplicating what could be done. I am very pleased that Baroness Ashton has got this position. From our point of view, that is very good indeed, having somebody there in that position. It is early days, there will have to be people learning how to work together. We did have a discussion about whether there should be a separate Defence Ministers Council, but the balance of opinion was against that and certainly there was a good recognition that we wanted as much co-ordination as possible.

Chairman: Good. The Lisbon Treaty obviously has become past history already in a way in discussions here, but clearly there is a lot to put together there. We have covered a very wide range today and I genuinely and sincerely thank you for the time that you have given us and the very broad range of answers that you have provided. Thank you very much for going through and answering our questions this morning.