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FILE TITLE: FRONTIERS		SERIES EUROPEAN POLICY
		PART: 1
PART BEGINS: 8 JUNE 2001	PART ENDS: 5 MAY 2005	CAB ONE:

Labour Administration

PREM 49/4062

CONFIDENTIAL

PART

CLOSED

DATE CLOSED	5 MAY 2005
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Series : **EUROPEAN POLICY**
File Title : **FRONTIERS**
Part : **1**

Date	From	To	Subject	Class	Secret
05/07/2001	HS	FCS	Draft council regulation on the development of the second generation	C	0
17/07/2001	HS	FCS	Draft Directive on Status of Long-Term Residents in EU	U	0
25/07/2001	HS	FCS	UK opt-in to Council Regulation on Development of Second Generati	U	0
16/10/2001	SS/DTI	PUS/HO	Draft Directive which give Third Country Nationals Freedom to Travel	U	
14/01/2002	HS	FCS	Council decision on adopting an action programme for admin co-0pe	C	
07/11/2002	ukrep	EU/PS	Seville Conclusions: External Realtions/Third Countries	U	
07/05/2003	FCS	PM	Reform of the EU External Assistance	U	
13/06/2003	EU/PS	Cab Off	Zones of protection	C	
05/08/2003	HO	FCO	Initiative from Greece with a view o adopting a council regulation on t	U	
21/02/2004	SS/DCMS	MS/HO	EC Proposal to Establish a European Agency - Management of Co-o	U	
30/06/2004	HO	FCO	External borders , visias, asylum an immigration	U	

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→ UK Indig →

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Home Office

Des Browne MP
MINISTER OF STATE

50 Queen Anne's Gate, London SW1H 9AT

JR
CC/KD
KD

The Rt Hon Jack Straw MP
Foreign Secretary
Foreign and Commonwealth Office
King Charles Street
London
SW1A 2AH

30 JUN 2004

Jack Straw

EU PROPOSAL FOR A COUNCIL DECISION AMENDING DECISION NO 2002/463 ADOPTING AN ACTION PROGRAMME FOR ADMINISTRATIVE COOPERATION IN THE FIELDS OF EXTERNAL BORDERS, VISAS, ASYLUM AND IMMIGRATION (ARGO PROGRAMME)

I am writing to seek your agreement, and that of EP colleagues, that the United Kingdom should opt into the above Proposal for a Council Decision concerning the amendment of the ARGO Programme. The UK must notify the Presidency of its opt-in decision by 23 July. To meet that deadline, I need to ask for your agreement by no later than 12 July.

ARGO is an EU funding programme for promoting administrative cooperation at EU level in the areas of asylum, immigration, visas and external borders. The Programme covers the period from 1 January 2002 to 31 December 2006.

The proposed Council Decision will amend the ARGO Programme in the area of external borders. The original Council Decision to establish the ARGO baseline stated that external border projects had to be co-sponsored by at least one other Member State, and involve either an Accession State or third country before they could be considered for funding. This proposal removes that set of criteria. Instead, Member States will be able to submit national projects aimed at tackling weaknesses along the external border. An assessment of need and risk would be agreed with other Member States, who would still be able to participate in the preparation and implementation of operations, as is the case now.

The Commission admits that it is responding to criticisms about the administration of the ARGO fund. Member States, including the UK, have raised with the Commission the consequences of funding delays and the difficulties in meeting some of the eligibility criteria. The Commission has already flagged in their Annual Report that

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they need to work more closely with Member States in order to maximise the use of ARGO funding. The proposal seeks to ensure that a higher proportion of the ARGO budget will be spent in future years of the programme.

I am clear that it is strongly in our interest to opt in to this proposal which, if implemented in time, should reduce bureaucracy ahead of the 2005 Work Programme and lessen the burden on the European Border Agency who might otherwise be tasked with managing the external border element of the ARGO baseline.

In particular, I welcome the Commission's recognition that projects/operations should be based on an assessment of risk and need; this ties in closely with the UK's wider policy of funding immigration operations i.e. intelligence-led and outcome focussed.

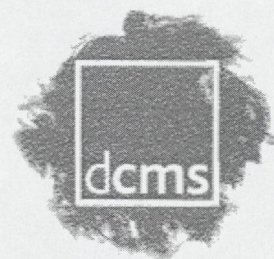
I am copying this letter to the Prime Minister, EP colleagues, Sir Andrew Turnbull, and Mr John Grant (UKRep).



DES BROWNE

C03/20868/07972/pa

Beverley Hughes MP
Minister of State
Home Office
50 Queen Anne's Gate
London
SW1H 9AT



21st February 2004

Mr Bev,

SW

cc MR
SH
LP.

**EUROPEAN COMMISSION PROPOSAL TO ESTABLISH A EUROPEAN AGENCY FOR
THE MANAGEMENT OF OPERATIONAL CO-OPERATION AT THE EXTERNAL
BORDERS OF THE MEMBER STATES OF THE EU**

Thank you for copying to me your letter to Jack Straw of 3 February. I am content with your proposal that the UK should opt into the Agency Regulation.

My Department's interest in this area is in promoting tourism to Britain. Inbound tourism was worth £11.8 billion to our economy in 2003 and it supports jobs throughout the country. For some time, the industry has reported to us concerns that we are disadvantaged by not being part of Schengen. Higher-spending long haul tourists are more likely to travel to Europe in order to visit a number of European countries and there is a risk that because we are not part of Schengen, Britain will be left off European tour itineraries and British airlines could lose business.

I was interested to read about the separate package that the Council Legal Services has proposed which would enable the UK and Ireland to participate fully in the Border Agency. I recognise the concerns that you outline about managing asylum intake and the importance of maintaining our own border security. Nevertheless, I hope also that as consideration is given to the CSL proposals, we will keep in mind the need to remain as open as possible to genuine travellers who wish to visit the UK.

Yours
Tessa

TESSA JOWELL

cc
EU COMMITTEE MEMBERS
PRIME MINISTER
SIR A. TURNBULL



INVESTOR IN PEOPLE

02072733965

**Home Office**

Beverley Hughes MP
MINISTER OF STATE
50 Queen Anne's Gate, London SW1H 9AT

CR
C. FM
NA.
MR
SW.

The Rt Hon Jack Straw MP
Foreign and Commonwealth Office
King Charles Street
LONDON
SW1A 2AH

Dear Jack:

05 AUG 2003

**INITIATIVE OF THE HELLENIC REPUBLIC OF GREECE WITH A VIEW TO
ADOPTING A COUNCIL REGULATION ON THE FORMALISATION OF A
NETWORK OF IMMIGRATION LIAISON OFFICERS. ARTICLES 63(3)B AND 66
OF THE TREATY ESTABLISHING THE EUROPEAN COMMUNITY**

I am writing to seek the agreement of EP colleagues that the United Kingdom should opt-in to the draft Council Regulation on the creation of an Immigration Liaison Officers' (ILO) network. This initiative will introduce measures to improve EU structures surrounding this network, as directed by the Seville Council.

The objective of the proposal is to enhance the prevention of illegal immigration into the EU by more clearly defining the role of ILOs and by increasing their potential to share intelligence related to organised immigration crime. The Regulation will introduce a legal basis for an ILO network, setting out the obligation to establish forms of co-operation, the objectives of such co-operation, as well as the functions, qualifications and responsibilities of ILOs.

This is an area of work in which the UK has been active for the last two years during which time we have established nine ILOs in strategic locations, mostly in Eastern Europe. Three more ILOs will be in place early in 2004, and plans are in hand to recruit a further nine. By working closely with the law enforcement agencies of the countries concerned, ILOs make a significant contribution to the disruption of illegal migratory flows and give constructive assistance to the authorities of the governments concerned.

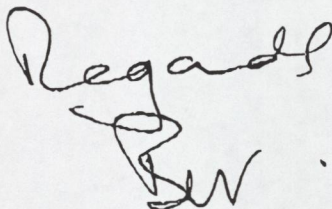
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The Seville Council last year recognised that an informal network of ILOs was developing, but directed that more needed to be done to strengthen and formalise the structure. Member States (including the UK) who already have ILO networks in place had questioned the need for a legally binding measure, citing the potential loss of sovereignty over their use of their own ILOs as the main concern. We have subsequently received verbal assurances from the Commission that the Regulation has been worded specifically to address this concern.

The UK has engaged constructively in the relevant EU discussions and whilst we (and other Member States) have some concerns regarding the current draft of the proposal, we remain confident that we can continue to influence the development of this measure in a positive manner.

Although a decision not to opt-in would remove all risk of our being drawn into any arrangements which might adversely restrict the operation of our ILO network, it would be inconsistent with our wider opt-in policy to do so, would prevent us from influencing the future development of the ILO network and would cut us off from the benefits of exchanging information with other Member States' ILOs. Given the UK's experience and successful engagement in this area, we feel that we can contribute usefully to the success of this initiative.

I should therefore be grateful for your agreement that the UK should agree to opt-in to this Regulation by (15 working days of this letter). We are required to communicate our decision to the Commission by 5 September. I am copying this letter to EP colleagues, the Prime Minister and Sir Andrew Turnbull.



BEVERLEY HUGHES

KATE GROSS

From: Stephen Wall

Date: 13 June 2003

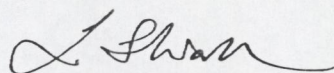
cc: Emily Miles
Justin Russell
Sir Nigel Sheinwald
Kim Darroch

ZONES OF PROTECTION

Silberberg told me this afternoon that Schröder had told Simitis (in Berlin today) that there was no point in any discussion at Thessaloniki of the refugee directive because Germany could not accept it. Schröder had also told Simitis that Germany could not accept British proposals on zones of protection because they were too reminiscent of concentration camps.

I explained to Silberberg our revised idea of pilot projects covering refugee protection zones. But Silberberg still thought that this would be a bridge too far for Schröder.

As you and I discussed, if we still find ourselves in difficulty in the GAERC on Monday, I think we should back off in order to live for another day rather than ride for a fall at Thessaloniki. The Prime Minister will not want to be seen to be espousing a proposal that is dumped on by Schröder and Chirac.



STEPHEN WALL



R/e

PM/03/035

PRIME MINISTER

SW
cc. LL
D&H
MR
DM

cc. KW
MR
RG
KB
KG

Reform of EU External Assistance

1. I have seen Gordon Brown and Clare Short's joint letter to you of 28 April about the European Union's external assistance.
2. It is clearly important to us that the EU plays an effective role internationally, and that we can work with and through the EU to deliver the UK's international objectives. Ensuring the effectiveness of its external assistance is a very important part of that.
3. As Gordon and Clare note, current demands on the EU external assistance budget are unprecedented. Over the last decade, the EU has significantly expanded its external actions in support of a range of UK priorities. Alongside its longstanding development programmes, it has funded transition in central and eastern Europe, Russia and the CIS and reconstruction in the Western Balkans and Afghanistan. More recently, the EU has been expected to contribute towards the fight against terrorism and establish third country cooperation on migration.
4. I share the concern that EU funds are not spent as effectively as they need to be. I support the thrust of the draft proposals to improve the management and performance of EU external spending up to 2006, building on Commission progress to date, and would welcome discussion between officials to agree the details. We are, together, already actively pursuing the short-term proposals on objective setting and performance assessment in the GAERC. The requirement, from 2004, for the Commission to set specific objectives for



expenditure across the budget should in particular allow us to bring pressure to bear for more effective resource allocation. The GAERC will have an important part to play in defining objectives and measuring progress. At the same time, our Posts overseas continue to look for ways to ensure EU assistance contributes more effectively to UK and EU objectives.

5. On Convention issues, FCO, HMT and DFID officials have worked closely to agree UK contributions. Work on this front is already well progressed: I understand Peter Hain is submitting a paper agreed with a number of EU partners on development issues, as well as UK comments on the draft external action articles.

6. Looking to the longer terms issues, I believe that achieving our objectives for the EU internationally, including the aims Gordon and Clare set out for more effective poverty-focused external spending, will require the UK to demonstrate a genuine commitment to making a success of the EU's international role.

7. Many EU member states, supported by the Commission, already give a very high priority to assistance for neighbouring countries. In our approach, we must recognise that a newly enlarged EU of 25 member states will inevitably focus even more closely on its neighbourhood. Accession countries will be looking for a continued commitment to the immediate region. To succeed in bringing about the reforms we want to see, we will need to work with these priorities. Our officials should work together to build support for an approach to assisting the 'near neighbourhood' using measures that are both effective for the countries concerned, and also consistent with a gradual shift of resources towards poorer countries.



8. Equally, we need to be careful not to undermine our commitment to the aim of effective external EU action with talk of reducing the size of the budget. I see such proposals, which would reduce the ability of the EU to make an impact, as contrary to the long term objectives that Clare and Gordon set out. If we took this line, the UK would be seen as once again standing back from the EU, and we would lose leverage in the debate on the effectiveness and focus of external spending.

9. I am copying this minute to EP colleagues, Sir Andrew Turnbull, Sir Stephen Wall and Sir Nigel Sheinwald.

A handwritten signature in dark ink, appearing to read 'Jack Straw'.

(JACK STRAW)

Foreign and Commonwealth Office

07 May 2003



File

The Permanent Representative
Sir Nigel Sheinwald KCMG

7 November 2002

Sir Stephen Wall KCMG LVO
No.10 Downing Street

United Kingdom
Permanent Representation
To the European Union

Avenue d'Auderghem 10
1040 Brussels
Telephone: (0032)(2) 287 8211
Facsimile: (0032)(2) 287 8383
Direct Line: (0032)(2) 287 8271
E-mail: nigel.sheinwald@fco.gov.uk

Dear Stephen

SEVILLE CONCLUSIONS: EXTERNAL RELATIONS/THIRD COUNTRIES

1. Seville called for a step-change in the EU's work in integrating immigration policy into the EU's relations with third countries and for a targeted approach to the problem, "with the use of all appropriate instruments in the context of the EU's external relations".

2. I think we are clear on the underlying policy objectives flowing from Seville: targeted action to combat illegal immigration into the EU, and effective mechanisms for re-admission by third countries of those unlawfully in the EU. But I am less sure that we have in place the mechanisms to deliver, or a proper appreciation of the potential obstacles at the November GAERC and JHA Councils. We will discuss at Wall/Sheinwald on 8 November.

UK Objectives

3. I think these are threefold:

- establishment of the necessary policy framework, reducing/eliminating conflicts;
- the programme for delivery on the ground in relevant third countries. Both the Commission and the Council will clearly need to be closely involved;
- the procedures for taking this forward within the various Council formations and, in particular, the relationship between the GAERC and the JHA Councils.

Policy framework

4. Seville was, of course, a compromise between those who favoured tight conditionality between EC aid and effective third country co-operation and those who



sought to retain development objectives uncompromised by JHA objectives. Seen from Brussels, those tensions still exist between JHA Ministers and their development counterparts nationally and at EU level. We must acknowledge the underlying reality that migration is economically a highly attractive option to individuals where the wage differentials between Europe and outside countries are very large (for equally skilled workers), relative to the costs of migration (including evasion of controls). Because of remittances, exporting country governments will generally perceive migration as positive for their development. Furthermore, there is a basic question mark over the effectiveness of project approaches in reaching the underlying causes of migration. We will need to work hard to overcome the lack of co-incidence of priorities between the EU and other governments. But in any event we should recognise that a positive approach to legal migration will help promote dialogue with third countries.

5. Post-Seville discussion has been focused on the use of development (and other external) funding as a positive tool, for use with third countries who co-operate, rather than as a punitive sanction (by withdrawing it) against those who fail to do so. I am sure that is the right way forward. Presenting projects as capacity building rather than anti-immigration operations, for example, ought to help in a development context. But it would be wrong to cast policies to reduce illegal immigration as an explicit development goal. So: how do we achieve an agreed policy underpinning?

Programme for delivering in third countries

6. There are a number of potential obstacles to delivery on the ground, some of them linked to resources and the tools available. In particular:

Do we have the right readmission agreements in place?

7. We should consider whether the current readmission agreements are the right ones. The draft Council conclusions for the GAERC set out the criteria for determining priority third countries for intensified co-operation. Are we satisfied that the likely list of priority countries – Albania, China, the Federal Republic of Yugoslavia, Morocco, Russia, Tunisia, Libya and Turkey – is the right one?

What are the tools that the EU has available to persuade such third countries to agree readmission agreements?

8. The key issue in terms of delivery and one of real concern to Vitorino. Readmission agreements have been notoriously difficult to negotiate with third countries. Despite relatively significant amount of EU money for Morocco (some 40 Meuro for border management, for example) the EU has yet to conclude an effective readmission agreement with it. How in practice are we going to exercise leverage over such countries?



9. We need to look at the overall nature of the EU's relationship with third countries and at how best to embed JHA elements into that. Seville talked of closer economic cooperation, trade expansion, development assistance and conflict prevention as mechanisms to be used. We should look also at the nature of our broader political dialogue with specific countries. In the same way that, post September 11, we factored terrorism into our broader dialogue with third countries, we need to raise the JHA profile. We need to tailor the tools to the particular circumstances of the particular third country concerned.

What funding is available?

10. Whitehall work earlier this year showed limited scope for increasing existing non-JHA programmes (TACIS, PHARE, CARDS and MEDA) to include new JHA work given the lack of available margins under the Berlin ceilings. But I think we should explore further what scope there is for prising what we can from existing funds. For the Balkans, 10% of the CARDS programme was earmarked for JHA: could we extend this to other programmes including MEDA? Post-accession, could we free up some of the existing Category 7 funding – currently pre-accession funding for strengthening external borders – for other JHA uses?

Are there other opportunities we should use?

11. In the longer term, how can we ensure that the EU gives itself a decent JHA external budget? The promised Commission paper on financing for Seville follow-up has yet to appear, and may not do so in time for the GAERC. We will need to look carefully at it when it does.

Procedures for taking forward within the EU

12. The EU needs to have a coherent view of what it wants to achieve and the mechanisms to do so. It does not have that yet.
13. In particular, it is not clear where real responsibility for delivery lies. The Council suffers from fluctuating political priorities brought about by the rotating six-monthly Presidency, and tension between the JHA and other parts. The resources that Member States have on the ground in many of the key third countries are relatively limited and are there in response to specific national objectives. The Commission itself is probably better resourced to co-ordinate and to deliver on the ground, but is hamstrung by its reliance on the Presidency to set priorities and lack of money. The EU needs to use the structure here in Brussels to better effect.

Relationship between the GAERC and JHA Councils

14. There is, for example, a lack of clarity about where responsibility within the Council lies. The Presidency has recognised the need to involve both Council



formations but it is not clear that the present arrangements are going to deliver in the longer term. Although the 18-19 November GAERC is expected to endorse Council Conclusions on the proposed criteria to identify countries of origin/transit with which the EU would engage in intensified co-operation, is that enough? I am not sure that there is any real sense, yet, of genuine on-going engagement in the wider integration of immigration policy into the EU's external relations. We need to consider how to bring that about.

Yours
Nigel

Nigel Sheinwald

cc: Roger Liddle, No.10
Michael Roberts, CO
Kate Gross, CO
Peter Storr, HO
Lesley Pallett, HO
Jenny Rumble, HO
Kim Darroch, FCO
Nick Baird, EUD(I), FCO
Anthony Smith, DFID
Phil Marker, DFID
Neil Watts, HMT



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Foreign Secretary

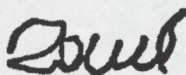
I am writing to seek the agreement of EP colleagues that the United Kingdom should participate in the adoption of a Council Decision on adopting an action programme for administrative co-operation in the fields of external borders, visa, asylum and immigration (ARGO). I would request any response no later than 24 January 2002. Apologies for this short deadline, which is necessary to meet the opt in deadline of 29 January.

2. This Council Decision concerns a proposal to establish a European Community action programme (ARGO) which will fund projects designed to reinforce the effectiveness of the relevant procedures in the fields of asylum, visas, immigration and the control of external borders by way of establishing a programme of training, exchanges and co-operation. It also sets out to support national administrations in the implementation of Community legislation founded on Articles 62 and 63 of the TEC and ensure openness in the application of this legislation. The ultimate aim of the programme is to ensure that third country nationals receive equivalent treatment when dealing with the national administrations which will in turn avoid differences in national practices.

3. The content of this Council Decision builds upon the Joint Action of 1998 establishing the ODYSSEUS programme. Like its predecessor, ARGO aims to reinforce the effectiveness of the relevant procedures in the fields of asylum, immigration and the control of external borders. The perspective of the ARGO funding programme is different from that of ODYSSEUS. Emphasis is placed on the establishment of common standards and procedures rather than simply closer co-operation. The aims of the ARGO programme have also expanded to include visas; and there is also greater involvement of both candidate countries and third countries. The funding available under ARGO will double from that available under ODYSSEUS to 25 million Euros.

4. The United Kingdom participated fully in ODYSSEUS and benefited to a limited extent from its funding. The opportunities to benefit from funding in the ARGO programme are even greater in view of the United Kingdom's desire to see a common European asylum system and our recognition of the need to work with other EU Member States to tackle illegal immigration networks. We therefore believe that we should opt into ARGO and seek to benefit from its provisions in furtherance of United Kingdom objectives in this area.

5. I should be grateful for your agreement that we should participate in the adoption of this proposal. We need to notify the Presidency of a decision to opt in before 29 January 2002. I would request therefore any responses by close on 24 January 2002.
6. I am copying this minute to the Prime Minister, to other members of EP and to Sir Richard Wilson.



DAVID BLUNKETT

14 January 2002

The Rt Hon Patricia Hewitt MP
Secretary of State for Trade and Industry



Secretary of State
Department of
Trade and Industry

1 Victoria Street
London SW1H 0ET

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email
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Ms Angela Eagle MP
Parliamentary Under Secretary of State
Home Office
50 Queen Anne's Gate
London
SW1H 9AT

16 October 2001

Dear Angela,

WHETHER TO ADOPT A DRAFT DIRECTIVE WHICH GIVES THIRD COUNTRY NATIONALS THE FREEDOM TO TRAVEL IN THE TERRITORY OF THE MEMBER STATES FOR PERIODS NOT EXCEEDING THREE MONTHS

Your letter to Jack Straw recommended that we do not participate in the adoption of this directive because it would substantially affect the UK's freedom to decide whether to allow the entry of third country nationals arriving in the UK from other Member States.

I fully understand the argument for consistency with our policy on national control over admissions. I am concerned, however, at the possible perception of the UK as less welcoming to talented third country nationals based in the EU whose skills can enhance our competitiveness. It would be helpful if the Home Office was able to work with my Department, and others with an interest in EU labour mobility, to keep economic costs of non-participation in such measures, affecting the mobility of Third Country Nationals and inward investment, under review and to investigate the possibilities of how these might be offset or reduced.

I am copying this letter to EP colleagues and to Sir Richard Wilson.

Best wishes,

PATRICIA HEWITT



FCS/01/099

HOME SECRETARY

JS
cc: mt
OPH
RL
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gho
Vho

UK Opt-In to a Council Regulation on the Development of
A Second Generation Schengen Information System

1. Thank you for your minute of 5 July, which sought the agreement of EP colleagues that the UK should opt in to the proposed Council Regulation on the development of a second generation Schengen Information System.
2. No Minister has replied. You may therefore take it that you have clearance to opt in.
3. I am copying this minute to the Prime Minister, members of EP, Sir Nigel Sheinwald, Sir Richard Wilson and Sir Stephen Wall.

(JACK STRAW)

Foreign and Commonwealth Office

25 July 2001



Foreign Secretary

cc Stephen Wall

Jg
JT4
RL/FC
JR
ONE
Press

WHETHER TO OPT INTO A DRAFT DIRECTIVE WHICH HARMONISES THE STATUS OF LONG-TERM RESIDENTS ACROSS THE EU

The European Commission has brought forward a proposal to harmonise the status of third-country nationals who are long-term residents. In this letter I recommend that we do not opt in to this proposal, because it will impact on the UK's ability to retain national control over entry to the UK. This fundamental policy objective outweighs the benefits the draft Directive would bring to third-country nationals resident in the UK, and the fact that the Directive would make it easier for long-term residents in other Member States to gain access to the UK labour market and contribute to the UK economy. I would welcome comments by 23 July.

2. The draft Directive would provide for a common long-term resident status, which all third-country nationals could acquire in any Member State, after five years' residence. Such long-term residents would benefit from many of the same rights as nationals. This would include access to employment, goods and services, including public housing, education and vocational training, study grants, social assistance and health care.

3. The draft Directive would also give long-term residents the right to (short-term) residence in a second Member State. Such third-country nationals would have to show that they had a job, were self-supporting students or had adequate resources to avoid becoming a burden on the second Member State.

4. The UK would not have any problems with most of these provisions. Our treatment of those with indefinite leave to remain in the UK is as good as, or more favourable than, the provisions in the draft Directive. Indeed, if the Directive did not include the right to residence in a second Member State, we would probably wish to opt in. We would only have one or two concerns, for example about the arrangements in the draft Directive for expulsion, family

unification and the provision of equal treatment between nationals and third-country nationals in the field of study grants.

5. The key question is whether participation would be consistent with the operation of our frontiers and admissions policy. The previous Home Secretary said, in his statement in March 1999, that the UK is keen to engage in co-operation in all areas of present and future Justice and Home Affairs co-operation, including immigration policy, which do not conflict with our frontiers control.

6. In practice, the draft Directive would require us to grant leave to enter for at least three months to long-term residents from other Member States. This period would enable them to apply for their right of residence in the UK. And, while this right of residence would be conditional on the third-country national showing that he or she had adequate resources to avoid becoming a burden on the State, the UK would be obliged to grant this right where the conditions were met. I therefore consider that this Directive is not consistent with the policy objective of national control over admissions, which underlies our Protocol on the Position of the United Kingdom and Ireland in the Treaty of Amsterdam. The Protocol was secured with the express purpose of ensuring that we retained the right to determine our own immigration policies. My decision to recommend that we do not opt in is also taken in the light of our decision not to opt in, for the same reasons, to the Directive on family reunification.

7. The draft Directive is designed to meet the Tampere aim that the legal status of third-country nationals should be approximated to that of Member States' nationals. While I welcome the integration of third-country national long-term residents, including recognised refugees, in the UK, this should not imply freedom of movement, which should be limited to EU nationals exercising Treaty rights, and their family members.

8. I appreciate that there is likely to be some disappointment amongst long-term residents here who have not, for whatever reason, acquired British citizenship, that the wider benefits under the Directive will not be extended to them. I am also aware that this Directive would make it easier for long-term residents in other Member States to make a positive contribution to the UK economy. Nevertheless, I think that our policy on entry to the UK outweighs these concerns.

9. Deciding not to opt in at this stage would not prevent us from doing so later, if the Directive that is finally agreed is acceptable and we do not wish to be out of step with measures being operated in other Member States.

10. We will need to present this decision carefully, focusing on the fact that a decision not to opt into these proposals would be in line with the UK's overall approach to non-participation in a fully harmonised immigration policy.

I am copying this letter to the Prime Minister, EP Committee, the Paymaster General and to the Ministers for the Cabinet Office, Energy and Competitiveness in Europe, to Sir Nigel Sheinwald and to Sir Richard Wilson.

David Blunkett

DAVID BLUNKETT

17 July 2001



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Foreign Secretary

**DRAFT COUNCIL REGULATION ON THE DEVELOPMENT OF THE SECOND
GENERATION SCHENGEN INFORMATION SYSTEM (SIS 56)**

I am writing to seek agreement that the United Kingdom should participate in the adoption of the proposal for a Council Regulation put forward by Belgium and Sweden, in response to the conclusions of the JHA Council in May on the development of the second generation Schengen Information System (SIS II). Participation in this measure would be consistent with the Council Decision on our partial participation in the Schengen acquis and would not affect our position on frontier controls.

2. The Schengen Information System (SIS) is a Europe-wide database set up to support application of the provisions of the Schengen acquis. In its current form it has the capacity to serve a maximum of 18 participating states and requires significant upgrading to be able to accommodate new Member States after enlargement. Last month, in the absence of the necessary unanimity among Member States for intergovernmental funding, the JHA Council adopted conclusions on Community funding for the development of SIS II. On this basis the Swedish and Belgian Presidencies have submitted a draft Council Regulation and a draft Council Decision to create a legal base for the necessary expenditure.

3. The terms of the Council Decision on our own partial participation in the Schengen acquis commit us to participate in measures building on the Schengen acquis, including the SIS. Given the lack of legal clarity as to the relationship between the Schengen and Title IV Protocols, for legal certainty we need formally to opt in to participation in the adoption and application of the draft Council Regulation under the terms of our Title IV Protocol. I am satisfied that an opt-in is both necessary to maintain our full commitment to SIS development and without risk to our position on frontier controls.

4. The establishment of a dual legal base for SIS II is the correct legal approach. Both instruments relate to the development of SIS II as a single system rather than to its operation. It would therefore be advantageous for the UK, both in terms of the operational benefits that participation in SIS II will bring, and in helping secure our wider aims in relation to enlargement of the European Union, if we were to support the adoption of these proposals. I should therefore be grateful for your agreement by Friday 21 July that we should participate in the Council Regulation.

5. I am copying this minute to the Prime Minister, John Prescott, Gordon Brown, Robin Cook, Derry Irvine, Margaret Beckett, Claire Short, Alisdair Darling, Stephen Byers, Alan Milburn, John Reid, Paul Murphy, Geoff Hoon, Helen Liddell, Gareth Williams, Estelle Morris, Tessa Jowell, Hilary Armstrong, Charles Clarke, Peter Goldsmith, Peter Hain, Sir Stephen Wall, Sir Nigel Sheinwald and Sir Richard Wilson.

Douglas Blunkett

5th July 2001

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