

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

First Delegated Legislation Committee

ANDREY LUGOVOY AND DMITRI KOVTUN  
FREEZING ORDER 2018

*Thursday 8 February 2018*

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**not later than**

**Monday 12 February 2018**

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**The Committee consisted of the following Members:**

*Chair:* SIR EDWARD LEIGH

|   |  |
|---|--|
| † Burghart, Alex ( <i>Brentwood and Ongar</i> ) (Con)             | † Rutley, David ( <i>Lord Commissioner of Her Majesty's Treasury</i> ) |
| Creasy, Stella ( <i>Walthamstow</i> ) (Lab/Co-op)                 | † Smith, Jeff ( <i>Manchester, Withington</i> ) (Lab)                  |
| † Dowd, Peter ( <i>Bootle</i> ) (Lab)                             | † Stride, Mel ( <i>Financial Secretary to the Treasury</i> )           |
| Eagle, Ms Angela ( <i>Wallasey</i> ) (Lab)                        | † Swayne, Sir Desmond ( <i>New Forest West</i> ) (Con)                 |
| † Flint, Caroline ( <i>Don Valley</i> ) (Lab)                     | † Syms, Sir Robert ( <i>Poole</i> ) (Con)                              |
| † Harrison, Trudy ( <i>Copeland</i> ) (Con)                       | † Warman, Matt ( <i>Boston and Skegness</i> ) (Con)                    |
| Hodge, Dame Margaret ( <i>Barking</i> ) (Lab)                     |  |
| † Kwarteng, Kwasi ( <i>Spelthorne</i> ) (Con)                     | Katya Cassidy, <i>Committee Clerk</i>                                  |
| † Lammy, Mr David ( <i>Tottenham</i> ) (Lab)                      |  |
| † Murray, Mrs Sheryll ( <i>South East Cornwall</i> ) (Con)        |  |
| † Newlands, Gavin ( <i>Paisley and Renfrewshire North</i> ) (SNP) | † <b>attended the Committee</b>  |

The following also attended, pursuant to Standing Order No. 118(2):

Murray, Ian (*Edinburgh South*) (Lab)

# First Delegated Legislation Committee

Thursday 8 February 2018

[SIR EDWARD LEIGH *in the Chair*]

## Andrey Lugovoy and Dmitri Kovtun Freezing Order 2018

11.30 am

**The Financial Secretary to the Treasury (Mel Stride):** I beg to move,

That the Committee has considered the Andrey Lugovoy and Dmitri Kovtun Freezing Order 2018 (S.I. 2018, No. 60).

Good morning, Sir Edward. May I say what a great pleasure it is to serve under your—I think it is fair to say—popular chairmanship?

The order was laid before the House this year on 19 January and came into force on 22 January. That was to ensure that there was no gap in the freezing measures enforced against Andrey Lugovoy and Dmitri Kovtun in response to the Litvinenko inquiry report published in January 2016.

The independent inquiry chaired by Sir Robert Owen concluded that Mr Litvinenko was deliberately poisoned in 2006 by Lugovoy and Kovtun through the use of polonium-210. The inquiry also concluded that there was a “strong probability” that Litvinenko, an ex-KGB and ex-FSB officer and critic of the Russian Government, was murdered on the order of the FSB, the Russian domestic security service. Furthermore, the killing was “probably approved” by the then head of the FSB, Nikolai Patrushev, and the Russian President, Vladimir Putin.

In response to the gravity of those findings, in January 2016 the Treasury imposed an asset freeze on Lugovoy and Kovtun by making a freezing order under the Anti-terrorism, Crime and Security Act 2001. The 2016 freezing order had the effect of freezing any funds or assets that those two individuals held in the United Kingdom or with any UK-incorporated entities, denying them access to the UK financial system and prohibiting UK persons from making funds available to them.

Under section 8 of the Act, the duration of a freezing order is limited to two years. During those two years, the Treasury is required by section 7 of the Act to keep the order under review. In order to maintain the asset freeze, the Treasury was required to review the case and decide whether to make a new order. The Treasury has conducted such a review and decided to make a new freezing order.

The Treasury believes that making a new order remains an appropriate and proportionate measure to take. The relevant conditions, as set out at section 4 of the Act, are still being met: the Treasury reasonably believes that action constituting a threat to the life or property of one or more nationals of the United Kingdom or residents of the United Kingdom has been or is likely to be taken by a person or persons resident in a country or territory outside the United Kingdom.

The freezing order is consequently one of a limited number of measures available to the UK authorities to act directly against Lugovoy and Kovtun. The Russian authorities failed to co-operate at any stage with extradition requests or with the inquiry, which prevented progress on the Metropolitan police investigation into Lugovoy and Kovtun. There is little prospect of bringing them to trial in a British court.

We continue to believe that the freezing order acts as a deterrent, and as a signal that the Government will not tolerate such acts on British soil and that it will take firm steps to defend our national security and the rule of law. Were we not to renew the asset freezes against Lugovoy and Kovtun, we would risk sending a damaging signal that the consequences of murder in the United Kingdom are limited and time-bound if someone chooses to evade the UK justice system by remaining overseas.

Our relationship with Russia remains strictly limited because of the Litvinenko assassination and the illegal annexation of Crimea by Russia. We engage with Russia on a guarded basis, defending UK national security where necessary while ensuring that we address the global security issues of the day. We will continue to demand that the Russian Government do more to co-operate with the investigation into Mr Litvinenko’s death. That includes the extradition of the main suspects, the provision of satisfactory answers and our demand that Russia must account for the role and activities of its security services.

I urge the Committee to approve the order.

11.34 am

**Peter Dowd (Bootle) (Lab):** It is a pleasure to serve under your stewardship, Sir Edward.

I thank the Minister for setting out the reasons why the order is before us. We accept and believe that it is an appropriate, commensurate and proportionate response in relation to the specified persons, given the circumstances of the case as set out in the report to which the Minister referred. I am pleased that the Minister has been able to give us further information.

On that basis, we will support the order.

*Question put and agreed to.*

11.35 am

*Committee rose.*