

Press release: Trade Secretary announces £1 billion to support trade with Iraq

The International Trade Secretary Dr Liam Fox MP is in Baghdad, Iraq for a three-day visit (Sunday, April 14th to Tuesday, April 16th 2019) where he will meet with the Iraqi Prime Minister and announce that UK Export Finance will make an additional £1 billion of support available for British firms operating in Iraq, providing jobs and promoting stability in the region.

In the first visit to Iraq by a cabinet minister for more than a year, Dr Fox will be meeting with senior Iraqis including the Prime Minister and President to discuss our bilateral trading relationship.

Alongside the Iraqi Prime Minister Adil Abdul Mehdi, the Trade Secretary announced that UK Export Finance is making an additional £1 billion available to support UK exports to Iraq, bringing its total support for the country to £2 billion. The measure is designed to promote Iraq's economic development and nation-building, ensuring that UKEF can continue to help the Government of Iraq deliver critical infrastructure.

To date, UKEF has deployed its existing capacity for Iraq, providing around £1 billion in support for projects including:

- A US\$35 million (£26 million) loan for the scoping phase of a water and wastewater treatment project in the Kurdistan Region of Iraq provided by UK company Biwater.
- US\$1.02 billion (£770 million) to support Enka UK and GE to build two new gas-fired power stations in the Basra region and UK-based GE Grid Solutions to build and refurbish 14 electricity sub-stations across Iraq.
- Support for a €30.2 million (£26 million) Siemens UK contract to refurbish the 320-megawatt Al Mussaib power station in southern Iraq.
- A loan to support a US\$220 million (£169 million) contract being undertaken by a UK subsidiary of GE to refurbish gas-fired power stations.

This support is available to UK companies selling to Iraq or investing in the country and will help the Government of Iraq access finance for projects that source goods and services from the UK.

The International Trade Secretary Dr Liam Fox MP said:

The atmosphere in Baghdad is one of optimism – it is a country which is having an increasingly stable period at a time of significant unrest in the wider region. The British government, working closely with the UK private sector and our Iraqi partners,

have a key role to play in the country's long-term prosperity. The £1 billion we have announced today will significantly strengthen our ability to do just that.

Iraq's future is bright, and my international economic department will continue to work tirelessly to ensure it maintains this stability, allowing the hard work of its talented citizens to flourish for the benefit of all.

Trade is about more than economic self-interest, it is the means through which we deliver the mutual prosperity that underpins our collective security. That is the true prize of trade policy and promotion done right.

During the visit, the Trade Secretary will speak to young Iraqi entrepreneurs who are working to create a more vibrant private sector to support the long-term stabilisation and prosperity of Iraq. He will also meet British firms operating in-country whose investments are vital in the country's rebuilding efforts.

Siemens UK is improving the electricity supply in Iraq using UKEF finance. Steve Scrimshaw, Country Lead, Gas and Power UK and Ireland, Siemens UK, said:

We are delighted this additional funding has been made available for ongoing regeneration in Iraq and look forward to working with UKEF and the Iraqi government on future opportunities.

Siemens has already benefited from UKEF support for work on the refurbishment of the Al Mussaib power plant. This will be vital for the people of Iraq who will benefit from both the power and the jobs it will create. With work being delivered from our Newcastle business, it is also helping to secure jobs in the UK.