

Press Releases: Remarks at the Iraqi Reconstruction Conference Session on Private Sector Engagement

Remarks
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Secretary of State

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SECRETARY TILLERSON: (In progress) ...on behalf of Iraq. And finally, I want to thank the World Bank, and international finance corporation, for supporting this conference. With the support of the United States and the Global Coalition to Defeat ISIS, Iraq has bravely fought and successfully liberated its territory from ISIS. Four and a half million Iraqis have been freed from tyranny. Over 3.2 million internally displaced Iraqis are now at home or on their way back home. And the Iraqi Government is reasserting control of the Iraq-Syria border. As we celebrate these victories over extremism and hatred, we know they were hard-won, and they came at a very high price. Much work remains to rebuild Iraq and modernize its economy. Helping Iraq create a government that is inclusive, accountable and transparent will build a society that can counter the extremist ideologies. This will deal ISIS its final blow and demonstrate its failed, violent ideology.

Be assured that the United States will remain Iraq's strong partner in this endeavor. Iraq is at an important juncture in its history. We support a united, democratic, federal, and prosperous Iraq, and a stable and viable Iraqi Kurdistan region as part of the Iraqi state. The Government of Iraq is taking steps to match actions with words to demonstrate that Iraq is open for business, creating meaningful improvements to Iraq's business environment and attracting much-needed investment for reconstruction projects across Iraq. The United States will maintain our bilateral relations with Iraq through the Strategic Framework Agreement. Last month, my Deputy Secretary of State Sullivan was in Baghdad to launch our bilateral power-coordinating committee, with a specific focus on trade and commercial engagement.

The United States also supports Iraq's continued participation in the IMF program to ensure financial stability and promote economic reform. Iraq's commitment to difficult but much-needed economic reforms will help earn investors' trust in the government's ability and willingness to improve

transparency. These reforms will make it easier to do business in the country and to fight corruption. The United States supports Prime Minister Abadi's anti-corruption campaign to root out bribery and kickbacks among government officials in the regulatory and government procurement systems. These are all essential ingredients for foreign and domestic investment to thrive. Importantly, Iraq has committed to diversify its economy. Iraq's economic health needs the resilience to dampen the effects of every up and down swing in the price of oil.

A healthy private sector is essential to creating the jobs and stability that are needed, and it will generate revenues necessary for reconstruction and needed investments in the health, security, and transportation sectors. Steps towards a stronger private sector will require tough decisions and perseverance, but they will pay off in the future. Doing business in Iraq can be complicated, but the Iraqi market has vast potential. Iraq is building important partnerships within the UN's Conference on Trade and Development, and we firmly support making Iraq's regulatory system work for private sector companies, just like President Trump's doing back home in the U.S.

We are committed to supporting the U.S. private sector in Iraq through the work of the Export-Import Bank, the official U.S. export credit agency, and the Overseas Private Investment Corporation. The U.S. EXIM Bank is committed to enhancing economic cooperation between Iraq and the United States with respect to the trade of goods and services. To signal its strong commitment, the EXIM Bank and Iraq's ministry of finance will sign today a \$3 billion memorandum of understanding that will set a stage for the future cooperation across key sectors of Iraq's economy, including oil and gas, transportation, and other commodities. Similarly, OPIC, which supports development through a model of investment rather than aid, has five active projects in Iraq totaling \$250 million. It is currently reviewing over \$500 million in new proposals in Iraq. These projects are helping increase the supply of affordable housing in the country and helping entrepreneurs and small businesses access financing to start and expand new businesses.

This too will create jobs and opportunity in the region. U.S. businesses are already successfully operating in Iraq. Over the past few months, American companies have completed several commercial agreements to supply Iraq with nearly \$2 billion worth of agricultural products, electricity equipment, and renewable energy technologies. Boeing, General Electric, and Honeywell are but a few American companies already doing business in Iraq. Orion, Track Development Group, and Blue Sky Energy are also finalizing or currently implementing new investment projects around the country.

Everyone in this room has an opportunity to help set Iraq on a new course and contribute to its long-term development success. As we heard earlier today, the investment opportunities presented during the conference are just a fraction of what is possible. I hope investors and financial institutions will use this opportunity to build new economic relationships that will help create future prosperity for Iraq and for America. Together, we can build on the peace that has been earned through enormous sacrifices and forge a stronger Iraq with a brighter future. Thank all of you for being here this evening, and for your participation. Thank you so much.

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