

Speech: Greg Hands speech at the Iraq Trade and Investment Conference

Thank you for inviting me here today, and let me extend a warm welcome to His Excellency Dr Al Jaafari and His Excellency Salih Hussein Ali.

Thank you also to the sponsors of today's event the Arab British Chamber of Commerce who have the wonderful slogan 'friendship through trade'.

Today, my message is simple.

Everyone here has a role to play in ensuring trade will always remain central to both the UK's and Iraq's futures.

For while we both face a huge set of global challenges together, it will be our shared commitment to free trade that ultimately brings long lasting stability and prosperity to our 2 countries.

There exists both the opportunity and the will to do business together.

Let's seize that opportunity.

I will outline some of the areas we can focus on.

But first I would like to acknowledge Iraq's rich heritage, and how its legacy, particularly around trade, continues to teach us much today.

The area now known as Iraq is widely seen as the cradle of civilisation.

Five thousand years ago, it gave us the original writing system, which produced the first ever records of history, mathematics, astronomy and medicine.

Fast forward to the Middle Ages, and Baghdad was the at the centre of the Islamic Golden Age, attracting the world's finest scholars.

It oversaw pioneering advances in the fields of science, economic development and the arts.

The city was an important junction on the Silk Road, serving as a crossroads for trade to Europe, South East Asia and even East Africa. Everything from silk to Qashani tiles passed through its lively markets.

While Europe lost-importance in the Dark Ages, it was the sharing of books, knowledge and language along these trading routes that turned Baghdad into a truly cosmopolitan city, and the learning centre of the world.

So what does this teach us?

It shows that trade fosters not just economic growth, but creates the conditions for culture, academia and societies to flourish.

I understand, for example, that 2017 has been declared a 'year of excellence' for Iraqi football, with the construction of several new stadiums.

Iraq and the UK may be separated by geography and culture, but we are united by a love of the beautiful game.

I am proud to be able to say that, as the Member of Parliament for Chelsea and Fulham, I am the only Conservative MP to have continuously represented a member of the English Premier League in the Commons.

Often, I've represented 2!

In seriousness, I believe that our mutual love of football perfectly illustrates why the theme of this conference is significant: the effects of trade are multifaceted, allowing us all to develop in the most holistic way possible.

As Minister of State at the UK's Department for International Trade, my role is to work with counterparts and businesses, both in the UK and overseas, to identify opportunities for trade, and overcome barriers wherever they exist.

My department's main function is to ensure the UK becomes the most passionate advocate for free trade, enhancing relations with high potential economies such as Iraq.

UK / Iraq

Last year's UK-Iraq Joint Ministerial Committee provides a good foundation from which to build. There was widespread agreement on both sides that increased cooperation on a variety of areas, but in particular on trade and investment, was crucial.

Our bilateral trade currently stands at over £700 million; but we can improve on this.

I welcome the progress and reforms being made by the Government of Iraq, under the IMF agreement, which will make the local business environment more attractive for foreign investment.

UK companies and brands are already well established in Iraq: from BP and Standard Chartered to G4S and JLR.

But more companies must see the vast opportunity on offer, so I am glad that our Embassy team in Baghdad is working closely with the IBBC and others to encourage and help more UK companies to do business in Iraq.

We are being ably supported by the Prime Minister's trade envoy to Iraq, Baroness Nicholson, who also serves as the President of the Iraq-Britain Business Council – a key partner in helping promote greater economic ties.

But if we are to see bilateral trade increase, we must reduce the barriers to export which still exist.

UKEF

UK Export Finance, the UK government's export credit agency which now sits in my department, ensures UK companies have the financial backing to win and fulfil contracts around the world.

Where in the past deals may have been under threat due to a lack of finance or insurance, UKEF support allows UK and Iraqi firms to do business with confidence.

The signing of Iraq-UK MOU in March signalled an increase in UKEF support for infrastructure projects – up to £1 billion of cover per year.

That means that UK firms can better share their infrastructure expertise to help Iraq refurbish its power generation facilities, upgrade its airports and roads, and help with the building of hospitals.

Oil and gas

Another area of future co-operation will be around oil and gas. Iraq has the world's fourth largest proven oil reserves, sixth largest gas reserves, and huge untapped potential across both.

The International Energy Agency estimates that 46% of global oil production could come from Iraq by 2035.

Despite relatively low oil prices, UK firms remain strategically well-placed in areas such as Rumalia and Majnoon.

The UK supply chain, built over 50 years, is ideally placed to support the Government of Iraq's ambition to increase oil production to 6million barrels per day by 2022.

But while the UK and Iraq look to strengthen economic ties in these areas, our relationship is much more diverse.

The UK stands ready to continue supporting the Government of Iraq in bringing peace, stability and prosperity to all parts of the country.

Security

As part of the Global Coalition, the UK is supporting Iraqi Security Forces in liberating Daesh-controlled areas, as well as helping provide humanitarian assistance, and re-establishing governance and services.

UK firm Optima Group is already actively engaged in affected areas, mitigating threats of explosives and working with local communities to provide a safe environment.

Recent attacks in Baghdad, Manchester, and London show that terrorism is our mutual enemy. An ever-present threat that we all share.

The UK will always stand shoulder to shoulder with Iraq to defeat international terrorism, deliver stability and promote development.

Conclusion

Today's conference shows the willingness on both sides to strengthen our bilateral relationship.

I hope it is a relationship dominated by increased trade for many years.

For history shows trade is a force for good: ushering in periods of prosperity, stability and human advancement.

Everyone here has a role to play in ensuring that is just as true now as it was 1,000 years ago.

Thank you.