

# Statement to Parliament: Secretary of State's Oral Statement to Parliament on the political situation in Northern Ireland (3 July 2017)

With permission I would like to make a statement about the political situation in Northern Ireland.

As the House will recall following the resignation of Martin McGuinness, the then deputy First Minister of Northern Ireland in January, an election took place to the Northern Ireland Assembly on 2 March.

Despite intensive discussions in the three weeks following the election the Northern Ireland parties were unable to reach agreement on the formation of a new Executive.

In order to facilitate further discussions between the parties, Parliament passed legislation immediately prior to dissolution extending the period in which an Executive could be formed until 29 June.

Last Thursday, 29 June, I made a statement in Belfast setting out that, while differences remained between the parties, progress had been made and that it was still possible for resolution to be achieved.

I urged the parties to continue focusing their efforts on this, with the full support of the UK Government and, as appropriate, the Irish Government.

In that regard I want to recognise the contribution of the Irish Foreign Minister, Simon Coveney, and his predecessor, Charlie Flanagan.

In the past few days, since the passing of the deadline, further progress has continued to be made, including on the most challenging issues such as language, culture and identity.

Gaps remain between the parties, but these are few in number and on a defined group of issues.

The Government remains committed to working with the parties, and the Irish Government, to find a way to close these gaps quickly in order to reach an agreement which will pave the way for the restoration of devolved government.

The Prime Minister has been actively involved following on from her meetings with each of the parties ... including speaking to Arlene Foster and Michelle O'Neill on Friday night.

I continue to believe that a deal remains achievable.

And if agreement is reached, I will bring forward legislation to enable an

Executive to be formed possibly as early as this week.

But time is short.

It has been six months since a full Executive was in place to represent the people of Northern Ireland.

In that time it has been civil servants, not politicians, who have made decisions on spending.

Without political direction, it has not been possible for strategic decisions to be made about priorities in areas like education and health.

This has created pressures which need to be addressed.

And it has led to understandable concern and uncertainty among businesses and those relying on public services alike.

This hiatus cannot simply continue for much longer.

There is no doubt that the best outcome is for a new Executive to make those strategic decisions in the interests of all parts of the community in Northern Ireland.

It should be for a new Executive to make swift decisions on its Budget to make use of the considerable spending power available to it.

While engagement between the parties continues, and there is a prospect of an agreement this week, it is right that those discussions remain our focus.

At the same time we will not forget our ultimate responsibility as a Government to uphold political stability and good governance in Northern Ireland.

In April, I made a Written Ministerial Statement that sought to provide clarity for those civil servants charged with allocating cash in Northern Ireland, to assist them in the discharge of their responsibilities.

But there remains resource available, including £42m from the Spring Budget and any further budget transfers as may be agreed, which are as yet unallocated.

If we do not see resolution in the coming days, we would need to reflect carefully upon whether further clarity would be required for NI Permanent Secretaries around those resources.

In that situation, we would also need to reflect carefully on how we might allocate the funding made available to address immediate health and education pressures as set out in Monday's statement on UK Government financial support for Northern Ireland, recognising Northern Ireland's particular circumstances.

And, if no agreement is reached, legislation in Westminster may then be

required to give authority for the expenditure of Northern Ireland departments through an Appropriations Bill.

From my conversations with the Head of the Northern Ireland Civil Service, we have not quite reached that critical point yet.

But that point is coming and the lack of a formal Budget is not something that can be sustained indefinitely.

Similarly, decisions on capital expenditure and infrastructure and public service reforms in key sectors such as the health service cannot be deferred for much longer.

One area on which there is much consensus, however, is on the need for greater transparency around political donations.

In line with the commitment set out in the Conservative Party's Northern Ireland manifesto at the General Election I can confirm that I intend to bring forward legislation that will provide for the publication of all donations and loans received by Northern Ireland parties on or after 1 July 2017.

Mr Speaker,

All of this reinforces further the importance of the parties coming together and reaching an agreement.

And it sets out, too, some of the hard choices that we face if uncertainty persists.

I am also conscious that, with the deadline now passed, I am under a duty to set a date for a new election. I will continue to keep that duty under review.

But it seems unlikely that would that of itself resolve the current political impasse or the ultimate need for political decision-making, however we proceed.

As the Government for the whole United Kingdom, we will always govern in the interests of all those within the United Kingdom.

And so if resolution were to prove intractable, and an Executive could not be restored, then we would of course be ready to do what is needed to provide that political decision-making in the best interests of Northern Ireland.

But I am clear that the return of inclusive, devolved government by a power-sharing Executive is what would be best for Northern Ireland.

And that will remain our overriding focus in the crucial days ahead.

The UK Government will continue govern in the interests of everyone in Northern Ireland by providing political stability and keeping an open and sustained dialogue with the parties and with the Irish Government, in

accordance with the well-established three-stranded approach.

I stand ready to do what is necessary to facilitate the quick formation of an Executive once an agreement is reached.

And I commend this statement to the House.

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## [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.

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## [News story: Refugees of all nationalities fleeing Syria are now eligible for resettlement in the UK](#)

The Home Secretary Amber Rudd has announced today (Monday 3 July) that vulnerable refugees of any nationality, not just Syrian, who fled the conflict to neighbouring countries and are unable to safely return to their home country could now be resettled in the UK. There has been no change to the 20,000 commitment.

In 2015 the government committed to resettle 20,000 Syrian refugees from the Middle East and North Africa Region (MENA) by 2020 and more than 7,000 Syrians have already arrived in the UK through the scheme.

The policy change follows advice from the United Nations High Commissioner for Refugees (UNHCR) who identified that a diversified resettlement scheme was required to address the needs of the refugee population in the region.

The Home Secretary Amber Rudd said:

It is vitally important that we focus our support on the most vulnerable refugees in the region who have fled the atrocities in Syria, whatever their nationality.

I am proud that the UK is continuing to be proactive and by expanding the scheme we are making sure our doors continue to remain open to the people who most need our help.

We will continue to work with local authorities and the UNHCR, whose hard work so far has made sure that the scheme is a success.

The government partners with the UNHCR on the Syrian VPRS to identify the most vulnerable refugees, from the areas surrounding Syria, for resettlement in the UK.

The UK has been at the forefront of the response and has pledged £2.46 billion to the humanitarian crisis.

In addition, the Vulnerable Children Resettlement Scheme will resettle up to 3,000 of the most vulnerable children and their families from the Middle East and North Africa region by 2020.

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## **Press release: Work starts on £11million North East flood scheme**

The Environment Agency has joined forces with local businesses to reduce the risk of flooding to the community and give wildlife a boost in Teesside.

Work has started on the £11million project, which will increase flood protection from Greatham Creek while creating around 30 hectares of extra habitat.

The Environment Agency is working with local businesses in the area with SABIC UK providing funding towards the scheme and INOVYN ChlorVinyls providing some of their land for the additional habitat creation.

And they are working closely with partners at RSPB and Natural England to design and build a scheme which maximises benefits for the internationally designated habitat, and to ensure disruption to wildlife and visitors to the



local area is kept to a minimum.

## **New habitat creation**

The first phase of the project, which saw new flood defences built at Port Clarence to reduce flood risk from the River Tees at a cost of £4.5million, was finished in December 2015.

Phase two will see the Environment Agency raise existing flood embankments along Greatham Creek, to reduce the flood risk to Port Clarence and land which is south of the Creek.

There will also be a managed realignment of part of the current flood defences. This means a new embankment to the north of RSPB Saltholme Nature Reserve will be built around a larger area of land, and then the existing flood embankment will be breached.

This results in the creation of around 30 hectares of intertidal habitat to the north of the nature reserve. It's a popular area frequented by seals, and a variety of bird species including shelduck, knot and redshank.

Seals at Greatham Creek

Phase 2 is expected to be complete by the end of 2018. Together the projects reduce the risk of flooding from both the River Tees and Greatham Creek at Port Clarence, protecting 350 homes and 32 businesses.

## **'Vastly improving existing defences'**

The Environment Agency's Senior Advisor on the scheme Phil Marshall said:

I remember well the devastating impact the tidal surge in December 2013 had on the area, affecting around 50 homes and businesses.

By working together with local industry we're vastly improving existing defences to protect residents and businesses and reduce the risk of flooding now and into the future as sea levels start to rise.

It's a great example of how we're working closely with partners, businesses and communities to create long-term, sustainable solutions to flooding while also making enhancements to the environment.

This is a vital conservation area enjoyed by visitors from far and wide and we're taking the opportunity to create 30 hectares of extra habitat to ensure wildlife continues to thrive.

In addition, while access to the creek is limited during the work, we are working with RSPB Saltholme to enable visitors to see live images from the creek of the ever popular seals.

Image shows (L) Daren Smith, SABIC site director, and (R) Phil Marshall, Environment Agency Senior Advisor

## **Working in partnership**

Daren Smith, SABIC Site Director (acting) added:

As a responsible company, SABIC take the protection of our environment and our communities extremely seriously. Our own land was devastated by the flood but our employees worked extremely hard and quickly with local agencies to rebuild some of the natural habitats that exist there.

SABIC are delighted to be working in partnership with the Environment Agency and other agencies to enable this vital sustainable project to be delivered.

Contractors BMMJV (BAM Nuttall and Mott MacDonald Joint Venture), are carrying out the work on behalf of the Environment Agency.

Phase 1 of the scheme saw new flood defences built in Port Clarence, consisting of a mixture of earth embankments, flood walls, and a raised section of the road on the approach to the Transporter Bridge.

In addition, the Environment Agency worked together with local business Wilton Engineering to install removable steel flood defences along the River Tees to improve flood protection while still allowing Wilton to operate from the river.

If you would like to know more about your risk of flooding and how to be prepared call Floodline on 0345 988 1188, or visit [www.gov.uk/flood](http://www.gov.uk/flood)

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## **[News story: Tackling urban challenges in Guangdong: apply for funding](#)**

UK businesses can apply for a share of £3 million to work with Chinese partners on challenges faced by cities in Guangdong province.

Innovate UK has up to £3 million to invest in joint UK-China projects that address urban challenges. These should be in areas such as smart mobility, affordable healthcare and sustainable environments.

The competition is funded in China by the [Guangdong Department of Science and Technology](#).

## Tackling challenges facing cities

Projects should tackle 3 challenges facing cities in the province. These are:

- smart mobility, including CO2 emissions, efficiency in transport systems, mobility, multi-modal transport and connectivity, and the user experience
- affordable healthcare for an ageing population, using big data to offer patient-centred solutions, integrate healthcare platforms, and deliver high-performance computing services and cloud platforms for health management
- sustainable urban environments, using smart platforms to monitor and forecast industrial and domestic pollution, energy efficiency and optimisation, brownfield management and urban waste

## Chinese cities among most congested in world

Guangdong is China's largest provincial economy. Two of its cities, Guangzhou and Shenzhen, are ranked the 14th and 15th most congested in the world. This could lead to problems such as an increase in chronic illnesses, including cardiovascular disease.

The number of individuals over 60 is also expected to double in China by 2050. It will reach 15 million in Guangdong province alone by 2020. In a recent national census, 56% of older adults said they were 'not healthy', and 17% said they needed assistance with daily tasks.

Funding for the competition is part of the UK-China Newton Fund. The [Newton Fund](#) uses science and innovation to promote economic development and social welfare of official development assistance (ODA) partner countries.

## Competition information

- the competition is open, and the deadline for registration is midday 27 September 2017
- projects must involve at least one UK business working and one business registered in Guangdong
- total project costs in the UK should range between £350,000 and £500,000. They should last up to 2 years
- businesses can attract up to 70% of their total project costs
- a briefing event for potential applicants will be held on 10 July 2017