

Northern Ireland Affairs Committee

Committee Office House of Commons London SW1A 0AA

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The Rt Hon. Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury

From **the Chair**
Simon Hoare MP

By email only

2 July 2021

Dear Rishi,

Compensation for UK victims of Gaddafi-sponsored IRA attacks

As you may be aware, my Committee has been, and remains, resolutely committed to securing compensation for the UK victims of Gaddafi-sponsored IRA attacks. To this end, I wrote recently to the Secretary of State for Foreign, Commonwealth and Development Affairs to suggest pragmatic and politically expedient solutions to secure recompense for these people while abiding by international law.

Each year, approximately £5 million is collected in tax on the frozen Libyan assets held in the UK. I have suggested, with the support of my Committee, ring-fencing those tax revenues and using them to provide compensation to those victims of Gaddafi-sponsored terrorism, either through a standalone fund or through the wider Troubles Pension Fund. Such a solution avoids any contravention of the UK's United Nations obligations, and would provide tangible, meaningful relief to victims, some of whom have been waiting for 30 years now for a substantive acknowledgement of their suffering. This proposal was also cited as a potential solution by the man who until recently was the Government's own special representative on UK victims of Gaddafi-sponsored terrorism, William Shawcross QC.

In response to my letter to the FCDO, however, the Minister for the Middle East and North Africa rejected our proposed solution but failed to provide a convincing reason as to its inadequacy. The Minister highlighted simply that funds collected in relation to those frozen assets go directly into the Consolidated Fund, which is spent on public services in general. The Minister did, nevertheless, suggest that we follow up this issue with the Treasury.

Such an approach would be consistent with the Government's stated sympathy for the victims of this terrorism. At the moment, it might appear to some that Ministers are intent on finding reasons not to provide relief, rather than working actively to find mechanisms to provide compensation.

Libyan economic and political stability is repeatedly cited as a precursor to victims receiving compensation. While I remain hopeful that Libya finds stability, particularly in

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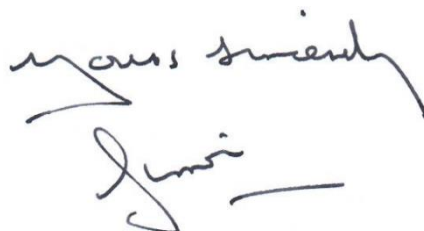
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view of its upcoming elections this December, victims should not be kept waiting any longer than is necessary to receive compensation. With tax revenues consistently being drawn from frozen assets, I see no reason for victims to be forced to wait for Libyan stability; an outcome which is, unfortunately, far from certain.

These people have nowhere else to turn. They have been left to fend for themselves by successive Governments which in place of basic, human compassion have held fast to the principle that Whitehall will not engage with Libya on this issue because Tripoli was a third party to, and not directly responsible for, the IRA's atrocities. As a result, these victims – vulnerable, ageing and with limited financial and legal resources – have had to try to engage themselves, alone with Libyan diplomats – with officials representing an unstable country that has no wherewithal, or intention, at the moment of providing them with recompense. This is a shameful situation in which to leave British citizens.

I have no doubt that you will agree that these circumstances cannot be allowed to persist a moment longer – and that we have it in our gift to resolve this issue, using Libyan-sourced funds and without impacting on the public purse, once and for all.

I look forward to receiving your views on the viability of the solution I have proposed, and hope that the Government will approach this issue with an attitude that recognises the reality of the situation and finally prioritises the interests of the victims of Gaddafi-sponsored IRA attacks.

A handwritten signature in dark ink, appearing to read 'Yours sincerely Simon Hoare', with a large, stylized flourish at the end.

Simon Hoare MP
Chair, Northern Ireland Affairs Committee