

Northern Ireland Affairs Committee

Committee Office House of Commons London SW1A 0AA

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The Rt Hon. Elizabeth Truss MP
Secretary of State for Foreign,
Commonwealth and Development Affairs
Foreign, Commonwealth and Development Office

From **the Chair**
Simon Hoare MP

By email only

2 December 2021

Dear Foreign Secretary,

Compensation for UK victims of Gaddafi-sponsored IRA attacks

We spoke about the issue set out below briefly in the House, and you asked me to write to you.

As you will know, during the 1980s and '90s, the Gaddafi regime in Libya supplied arms and ammunition to the IRA to enable it to carry out numerous deadly attacks in Northern Ireland and Great Britain. These ranged from individual murders to large-scale attacks, such as the bombing at Eniskillen on Remembrance Sunday, 1987. These attacks killed and maimed many people, and have caused long-term emotional trauma and financial hardship for their families.

My Committee has been, and remains, committed to securing compensation for the UK victims of Gaddafi-sponsored IRA attacks. To that end, we have corresponded on numerous occasions with Ministers, suggesting pragmatic and politically expedient solutions to secure compensation for UK victims while abiding by international law.

We wrote to your predecessor on 2 September 2020; to the Prime Minister on 19 January 2021; to your predecessor again on 28 April and 21 May 2021; and to the Chancellor of the Exchequer on 2 July 2021.

As you may be aware, the Government had appointed William Shawcross in 2019 to consider how victims might be compensated. After a process taking almost two years, their hopes were dashed by the publication of a Written Statement in March this year explaining that his work was not being taken forward. The statement also made clear that victims would have to deal with the Libyans themselves – with officials representing an unstable country with no

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wherewithal, or intention, of providing them with recompense. This is a shameful situation in which to leave British citizens.

The current Government, like its predecessors, contends that Ministers have no mandate to negotiate directly with the Libyans because Tripoli, despite having supplied the very arms the IRA used to carry out their attacks, was a third party to the atrocities themselves.

My Committee was frustrated and disappointed by the Government statement. Our reaction was muted, however, compared to that of the victims and their families. We took evidence from just a few of them (which I attach to this letter) on 15 April 2021, and as I told your predecessor and continue to feel today, one would have had to have a heart of stone not to be moved by both their stories and how they now feel.

It should be noted that, as part of a political agreement with Libya reached in 2008, the US Government secured compensation of \$1.5bn from Libya. This led to the passing of the Libyan Claims Resolution Act 2008, and the creation of a compensation system which has paid out millions of dollars to hundreds of victims, in some individual cases up to \$10 million in compensation, through the Foreign Claims Settlement Commission. The French and German Governments were also able to secure significant compensation from the Libyan state, albeit from a now defunct fund established by Gaddafi's son, Saif.

The Government has reasonable means at its disposal to resolve this situation. Libyan assets have been frozen by UN resolution for a decade. As you may know, each year approximately £5 million is collected in tax on those 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 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 UN obligations, and would provide tangible, meaningful relief to victims – some of whom have now been waiting for 30 years for their Government to support them in their pursuit of compensation from Libya. This proposal was also cited as a potential solution by Mr Shawcross himself.

The Foreign Office has previously responded to my Committee on this point by noting that funds collected in relation to the frozen assets go directly into the Consolidated Fund, which is spent on public services in general.

As I wrote to the Chancellor in the summer, we understand that tax revenue is generally un-ring-fenced. We suggest, however, on this occasion, in relation to this particular revenue, which accrues to the Government from a specific and relevant source, namely Libyan assets, and because of these particular individuals, that the Government might leave aside precedent, demonstrate some compassion towards these people and finally compensate them for these attacks – and the subsequent years of neglect and suffering they have had to endure.

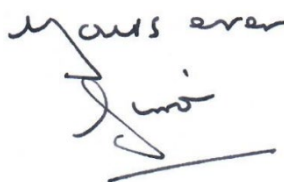
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Such an approach would be consistent with the Government's stated sympathy for victims of this terrorism. Up to now, it appears that Ministers have been intent on finding reasons not to provide relief, rather than working actively to find mechanisms to provide compensation.

I hope that as you begin in your new role, you might also bring a new perspective to bear on this issue. I am sure 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.

A handwritten signature in blue ink, appearing to read 'Simon Hoare', with a horizontal line underneath.

Simon Hoare MP

Chair, Northern Ireland Affairs Committee