

International Trade Secretary speech at City Week 2022

I am delighted to be speaking at City Week for the first time and welcoming you all to today's exciting FinTech programme.

Since I became Trade Secretary seven months ago, I've travelled the world, banging the drum for the UK's financial services everywhere I go.

I'm so pleased we were able to have the Ukrainian Ambassador, an extraordinary man. And that I think every single one of the Ukrainian citizens are showing a strength of purpose that I hope we would have if we were under such terrible strain.

But, we have been working very closely as a government, thinking how we can support Ukraine whilst also ensuring that Putin's illegal war fails. And we have just announced yesterday the liberalisation of all tariffs with our trade with Ukraine.

We're the first to do it, and I'm going to be encouraging other countries to do the same, whilst trying to use the sanctions tools we have – both financially and trade – to bring down Putin's ability to fund his illegal war. We also want to make sure we support Ukraine's economy, which of course is under huge strain because so much of its agricultural businesses are presently unable to move forward for this year, to help them with every aspect of trade that we can.

And I encourage all of you to think in your own spheres how you can do that. And if there's any way you think government can do more to support the Ukrainians, whether in-country or across the world, please do share that as this is a commitment we as a government are one hundred percent committed to and we also want to encourage others across the world to do the same.

But of course as I've travelled, and exactly to that, I've seen across the world – and I've been travelling, from Baltimore to Singapore, Ottawa to Jakarta – this extraordinary passion and success through the strength of the innovation and expertise of our UK's banks, wealth managers, and FinTechs, the subject of today's particular focus for you.

And I've seen it for myself, everywhere I've been, your international reputation genuinely is second to none – I get the best bit, I get to take all the credit for all the hard work you do, as people say to me regularly; you have an extraordinary industry there and we want to do more to be like you.

So we want to harness these international relationships and they want to understand your know-how and be part of the success that UK FinTech brings.

And my message to them has been loud and clear: The City is open for business. The City wants to work with you. The City is staying ahead of the

competition.

Because this is what the City has always done.

The drive, dynamism, and determination has made the UK's financial services what they are today. Seizing opportunities created by Global Britain.

We are the world's largest financial services net exporter, Europe's leading fintech hub, and a world-leading fundraising centre.

Over a million people in the UK are employed in financial services, with two-thirds based outside the capital.

As a report from TheCityUK showed, in all but two British regions, financial services are the leading services export. This is levelling up in action.

Your openness to new ideas, markets, and technology has put FinTech at the heart of this national network of financial excellence. Creating high skilled, well-paid jobs; apprenticeships for our young people; and spreading opportunity.

Almost half of Europe's Fintech unicorns were built right here in the UK. Klarna is marching ahead in Manchester, Sage is putting the new in Newcastle – I visited their offices the other day and was fantastic to see a company that I've witnessed grow over a number of decades – and Atom Bank is delivering in Durham, just around the corner from my constituency.

While banking giants Goldman Sachs are driving digital and opening a new office at the nucleus of Birmingham's burgeoning financial sector.

So, I think we can all agree that in FinTech, business is booming. Last year, the UK racked up more investment than France, Germany, and the Netherlands put together.

This matters. Because FinTech is about more than just finance, it's about greasing the wheels of commerce, so entrepreneurs across the country can drive their businesses forward, ignite growth, and accelerate towards global markets.

Whether it's Wise moving money across borders seamlessly, Xero making filing accounts a piece of cake, or Tide allowing businesses to set up banking at the drop of a hat, FinTech sets entrepreneurs free to do more of what want to do really well.

Our government couldn't value this work and our entire financial sector more.

That's why my friend the Chancellor of the Exchequer asked Ron Kalifa to carry out an independent review of UK FinTech, and we're pulling out all the stops to deliver his recommendations.

The FCA has already expanded its world-leading Regulatory Sandbox, piloting a new 'scalebox' to support newly authorised firms.

And just last month, my department and Innovate Finance launched the International FinTech Group, uniting industry and government to keep our FinTechs on top of the world.

That's also why since we reclaimed our independent trade policy, my department has been opening doors for our financial services businesses across the globe.

Our Free Trade Agreement with Japan cements the City's long-standing reputation as a bridge between East and West.

Our deal with Australia boasts ambitious financial services and digital chapters.

And we were the first European nation to sign a Digital Economy Agreement with Singapore, uniting two financial services powerhouses.

And we're really just getting started. You have my word – we will do everything in our power to help you to satisfy the global demand for your excellence.

Because hidden obstacles, protectionism, and antiquated rules are preventing our innovators from conquering new markets.

So that's why we are continuing on our mission to strike a series of advanced, high-standard agreements with leading nations across the world.

We are on course to accede to the £8 billion CPTPP this year, which is going to create a plethora of opportunities for you across eleven dynamic markets. The partnership's modern rulebook unlocks trusted cross-border data flows and sweeps away local restrictions that stand in the way of services exports.

The CPTPP is a baseline agreement, so we can break even more ground in deals with its members. Just as we are with Canada. Last month, I travelled to Ottawa to launch negotiations on a trade agreement that's going to go much further than ever before in innovation, digital, and data.

In January, I also headed to New Delhi to kick off negotiations on a comprehensive free trade agreement with India, you'll see that the Prime Minister was there at the weekend, helping our campaign to deliver a really impactful Free Trade Agreement.

We're seeing some really radical, different and open views there that we want to harness and we want to work alongside India to get that success.

Both our economies are orientated towards services, digital and tech, but at the moment India is only our 15th largest trading partner. Doing a deal can put this right by giving British businesses a 'first mover' advantage in India's markets.

We are also leading efforts to make the World Trade Organisation fit for purpose as the home of modern trade.

The WTO was established in 1995, when less than 1% of the world's population were online. So, the UK is committed to modernising the organisation and advancing digital regulations.

Before today's programme gets under way, I want to make you a promise that our government is completely committed to smashing through the obstacles in the way of our FinTech's and financiers and regulating to embrace competitiveness and innovation.

You already provide a platform for our nation to deliver so much wealth and innovation. There is a global appetite for UK services, for FinTech, and for finance. And our trade agreements are opening doors in data, digital, and services.

So, if we strive side-by-side and invigorate investment, we can lead the world in FinTech and digital, stay ahead in finance, and set our businesses free to grow through trade.

Writing a new chapter for our financial services, driving levelling up across the country, and proving the doubters wrong yet again.

Thank you, and I hope you enjoy the concluding day of what's been another fantastic City Week.