New guidance to help UK digital firms engage safely and ethically with China

- China is the UK's third-largest export market and the world's secondlargest and fastest-growing major economy
- A <u>government website</u> has been developed in response to demand from tech sector looking for guidance around opportunities in China

The Government has published guidance to help cutting-edge UK firms negotiate the ethical, legal and commercial questions they may encounter in China or when working with Chinese businesses.

The <u>guidance</u> sets out key issues digital and tech SMEs should consider as they weigh the benefits and risks of commercial ventures, as well as signposting specialist sources of advice.

The site, which has been developed in response to demand from the sector, will support safe and appropriate UK-China collaboration in digital and tech.

The Government recognises that for many UK businesses, working with world-leading Chinese firms at the cutting edge of innovation is not just about the lucrative market China offers, but is also critical to remaining globally competitive in the future.

The UK's AI Unicorns — including Improbable and Blue Prism — have launched in China and more leading companies are likely to follow.

China is the UK's third-largest export market and the world's second-largest and fastest-growing major economy. But this must be done safely and in a way that reflects the UK's values and takes account of national security concerns.

The Government's guidance will help SMEs to make a success of business ventures linked to China, to choose the right partners and to manage risk by taking appropriate steps.

It complements <u>measures announced</u> in June to support UK tech companies to seize trade and investment opportunities overseas.

These included a new Digital Trade Network for Asia-Pacific, which will support UK SMEs to break into the Asian market, and a new Tech Exporting Academy to provide expert advice to UK scaleups on subject areas essential to expansion, including regulation, intellectual property, and compliance.

Minister for Digital and Culture Caroline Dinenage said:

The latest statistics show UK-China bilateral trade has exceeded the £76 billion mark for the first time and our digital tech sector is the fifth biggest exporter of services in the world.

But we recognise the ethical, legal and commercial questions businesses face when they work in China or with Chinese businesses.

The UK is determined to support our businesses to engage with China in a way that reflects the UK's values and takes account of national security concerns.

Julian David, CEO, techUK, said:

At techUK, we recognize the massive opportunity that China presents for the UK's digital and tech businesses as well as challenges that firms face when navigating each other's unique marketplaces.

To be successful and protect their operations, digital and tech businesses need to know the challenges and take the right steps to navigate them.

We welcome the Government's launch of the bespoke guidance to SMEs and we look forward to working together to help digital and tech SMEs to grow safely and successfully in China.