

# Press release: Prime Minister and Dr Liam Fox's China visit boosts trade and jobs

International Trade Secretary Dr Liam Fox led a 50-strong business delegation on his visit to China with the Prime Minister.

International Trade Secretary, Dr Liam Fox, said:

I am delighted to have joined the Prime Minister on this crucial and incredibly fruitful visit.

The agreements signed this week, valued at more than £9 billion, demonstrate a clear demand for British goods and services.

As an international economic department, we will continue to develop this valuable trading relationship, which is now worth more than £59 billion, with UK exports to China increasing by over 25% last year.

During the visit deals worth over £9.8 billion have been agreed, representing commercial signings, market access agreements and future contract commitments within a variety of sectors, creating more than 2,600 jobs across the UK.

## **Further information:**

Deals valued at £9.89 billion have been agreed, creating 2,666 UK jobs.

Within advanced manufacturing, deals valued at £3.25 billion have been agreed, creating 500 new jobs. Some of these deals include:

- a new £50 million R&D centre in Birmingham by Times Electric, which will develop new technology in the area of electric vehicles and create 150 high-skilled jobs in the UK over the next 5 years
- a £20 million dealer investment and expansion programme by Aston Martin Lagonda, taking its total footprint in the Chinese market to more than 20 locations
- investment in a new design studio for all-electric London cabs in Coventry by Geely. Owners of the London Electric Vehicle Company (LEVC), the studio will create 100 new jobs
- a Memorandum of Understanding (MoU) signed by Ultra MTS with the China Railway Eryuan Engineering Group Co. Ltd (CREEC) to supply its award-winning driverless pods, as used in Heathrow Terminal 5, to the Chinese market
- Surrey Satellite Technology Ltd (SSTL) has agreed a contract worth £22 million with the Chinese company 21-AT for the provision of Earth Orbital data

- Graphene Lighting is to form a joint venture with Nanjing Economic and Technological Development Zone (NETDZ) that will enable them to export environmentally-friendly graphene lightbulbs to the EU worth £65 million in exports

During the visit, £1.27 billion of deals and market access were secured for the UK financial services industry, creating around 890 jobs:

- Shanghai Clearing House has agreed to connect London FinTech company R5FX's R5 automated currency trading platform onto their systems, providing Chinese Institutional Investors direct access to currency exchanges without needing to go through brokers
- Shanghai International Group has signed a deal to invest £340 million in South Molton Street Capital's European m&a fund – South Molton Street Capital will set up an office in Shanghai in support of this deal
- UK FinTech company Currency Cloud has signed a deal with Chinese company X-Transfer to undertake foreign currency exchange for its cross-border payments business
- the People's Bank of China has welcomed applications by Experian to undertake corporate credit rating business and World First to undertake cross border payments business
- Standard Chartered Bank (China) has received its lead underwriting licence for non-financial enterprise Panda bonds
- Shanghai Pudong Development Bank has secured a licence to open its first European branch in London – the £74 million investment will create an additional 20 UK jobs
- Innovate Finance and the National Internet Finance Association of China (NIFA) have signed an MoU to cooperate on supporting and promoting the UK and China's leading FinTech hubs and member firms

Consumer sector deals worth over £2 billion have been agreed:

- JD.com, one of China's largest B2C online retailers, has [signed an agreement with DIT](#) committing to sales of £2 billion of British retail goods and food and drink over the next 2 to 3 years – up to 50 jobs are expected to be created as a result
- JD.com has also announced a promotional 'Super Brand Day' dedicated to British products which is expected to be worth up to £25 million – this will run across JD.com's platforms including retail, FMCG and food and drink

Announcements valued at £1.36 billion within the energy and infrastructure sectors have been secured, including:

- BP has agreed a deal with the Shandong Dongming Petrochemical Group. The agreement will see over 500 petrol stations in China open over a 10 year period – this investment milestone demonstrates BP's continued commitment to growth in China's oil and gas sector through outward direct investment
- Zaha Hadid Architects has won an architectural design contract for a new iconic building in Wuhan – the project will host the headquarters of the Taikang Insurance company, alongside residential and retail areas

- an agreement by Savills Property Services with Wuhan's Jian'an District to set up Savills in Wuhan – this office will be responsible for Savills' central China business and will allow Savills to develop its wider presence in China
- China Resources to take a 30% stake in Dudgeon offshore wind farm worth up to £600 million has now received competition clearance from the Chinese authorities
- a [Belt and Road website for London](#) has been created by London & Partners and the City of London Corporation, and is a step to help create awareness about the Initiative and how UK firms can play a role

Agreements valued at over £550 million have been agreed within the education sector, creating more than 800 jobs, including:

- Xi'an Jiaotong-Liverpool University (XJTLU) – a joint venture university of the University of Liverpool – is to build a new campus in Taicang – the new campus will develop strong links with industry to develop leading graduates in science and technology

Announcements valued at over £500 million have been secured within the life sciences and healthcare sectors. For example:

- Cambridge Science Park to receive a £200 million investment from world-leading science facility Tsinghua University Holdings to build a state-of-the-art biohub, providing labs and offices for UK and Chinese biotech and med-tech companies
- digital health company Medopad has signed a £36 million deal with China Resources to develop health care apps – Medopad will also collaborate with Internet retail giant Tencent to advance digital health solutions in the UK and China
- AstraZeneca and Ali Health (Alibaba) have signed an MoU to partner on Internet of Things-enabled smart healthcare provision across China, and also with Tencent to tackle medicine counterfeiting and enhance the protection of intellectual property rights in China – both MoUs support AstraZeneca's ambition to partner with the Chinese government in achieving its Healthy China 2030 plan
- Future Planet Capital and Eight Great Technologies have signed MoU's with Shenzhen Gian Hai Sunflower Financial Service and Jian Xin Tian Ran Investment Management Ltd., to invest RMB 3 billion (around £310 million) into healthcare innovation and bio-technology between the UK and China
- Eight Great Technologies and Tsinghua University's venture capital business Leaguer International Co. signed an MoU to form a joint venture called the Eight Great Technologies Sino-UK Fund -this is a RMB 5 billion (£560 million) venture capital fund to invest in UK technology companies first in the UK before scaling to China
- Eight Great Technologies and Jiangsu Industrial Technology and Research Institute (JITRI) have signed an MoU to establish the Eight Great Technologies JITRI Fund – this is a RMB 1 billion (£110 million) venture capital fund which will invest in the development and up-scaling of emerging UK technologies in China

Creative sector announcements valued at £287 million have been secured leading to the creation of 376 new jobs. Amongst others, these include:

- Silvergate Media and CCTV Animation will jointly produce the fifth season of the award-winning British children's animation Octonauts – the new British-Chinese co-production will be broadcast globally, including by the BBC in the UK and by CCTV in China, with a further 2 seasons planned
- UK technology company Improbable and leading Chinese internet technology company NetEase have signed an agreement to begin a broad partnership to make and publish games built on SpatialOS, Improbable's cloud-based platform for game development
- leading UK design company PriestmanGoode has signed an MoU with Hainan Airlines to deliver design services covering aircraft, cabins, airport and ground services on an ongoing basis

Food and drink, and agri-food announcements worth £137 million have been secured, creating 30 new jobs. These include:

- Bulkpowders, a leading UK producer of sports nutrition products, has secured an exclusive import and distribution agreement with Shanghai Happydo International for its range of nutrition powder and snack products
- Freshways (Dairy) UHT Division, the UK's largest independent processing dairy company, has signed a variety of import and partnership agreements with companies including Youle Trading Shanghai, Appy Foods and Yeo Valley for the production and sale of various dairy products in China
- Moma Cereal, made with wholegrain British jumbo oats, has signed several distribution agreements with numerous high profile national China retailers including OLE Stores, City Super Stores, City Shop and online platforms JD.Com and VIP.com through their China partners Sticksology

In addition, market access deals have been secured with the potential to open up markets upwards of £530 million:

- a commitment of lifting BSE restrictions by summer 2018, supporting our beef market access negotiations, valued at £250 million in the first 5 years
- approval of market entry for dairy products, valued at £280 million in first 5 years

### **For further information:**

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