

Speech: Belt and Road Forum in Beijing: Chancellor's speech

It is an honour to speak at this important forum.

I commend President Xi for his excellent speech this morning...

...and for setting in train such a bold and visionary project.

This initiative is truly ground-breaking in the scale of its ambition...

...spanning more than sixty-five countries, across four continents...

...and it has the potential to raise the living standards of 70% of the global population.

Context

China's ability to drive phenomenal economic development is well proven.

Since 1980 the Chinese economy has grown by over 2,500%...

...this year, it is expected to account for a quarter of global economic growth.

And of course the reason economic growth matters is because of how it transforms peoples' lives...

...800 million Chinese citizens have been lifted out of poverty in the past 40 years.

Driving forward

Trade has played an important role in China's growth.

Indeed, global trade has underpinned much of the increase in prosperity that we have seen globally.

We have to acknowledge however that rapid economic change has been unsettling for some of our citizens.

As leaders we must respond to these concerns...

...by continuing to seek new opportunities for trade...

...but at the same time ensuring that all our citizens are reaping the benefits that it brings.

The Belt and Road initiative provides us with a great opportunity to put these words into action.

As President Xi has said...

...the initiative must “follow the principle of wide consultation, joint contribution, and shared benefit”.

I agree.

And it is my belief that Britain, lying at the Western end of the Belt and Road, is a natural partner in this endeavour.

Britain has, for centuries been one of the strongest advocates of an open global trading system.

And as we embark on a new chapter in our history, as we leave the European Union...

...we want to maintain a close and open trading partnership with our European neighbours...

...but at the same time, it is our ambition to secure free trade agreements around the world with new partners and old allies alike.

Our ambition is for more trade, not less.

China clearly shares this ambition...

...and I support President Xi’s target to have mutually beneficial Free Trade Agreements in place with 40% of Belt and Road countries by the end of this year.

Central to the project is of course the need to address infrastructure challenges along the Belt and Road.

Asia’s infrastructure needs alone are estimated at \$26 trillion out to 2030...

...and China has already pledged to invest \$4 trillion in Belt and Road countries through this initiative.

The UK can be a natural partner in delivering this infrastructure...

...supporting the finance, design, and delivery needed to make President Xi’s vision a reality.

Conclusion

China and the UK have a long and rich trading history...

...indeed the English first attempted to establish a trade route to China in the 16th Century...

...although it took us four decades to find one!

I welcome the Belt and Road initiative as an opportunity to strengthen these ties...

...and I am excited to see the progress that has already been made.

In January, for the first time, a freight train carried goods from Yiwu on the East China Sea along a 7,500 mile journey to East London...

...it passed through seven countries hauling thirty four containers of goods during its historic fifteen-day voyage...

...and, last week, it returned through Europe and central Asia to China, with containers full of British goods.

This is just one example of the opportunities that the Belt and Road initiative is delivering...

...from the 900 projects that are already underway – representing almost \$1 trillion of investment.

So my message today is clear:

As China drives forward the Belt and Road initiative from the East...

...we in Britain are a natural partner in the West...

...standing ready to work with all partner countries to make a success of this initiative...

...and delivering the jobs, growth and higher living standards that must be our central ambition for all of our citizens.