

Speech: Building a global Britain

Introduction

Thank you for that kind introduction.

I am delighted to be with you here this afternoon during what is my third official visit to China.

I first visited this unique country back in 2008 when I attended the second UK-China Senior Leadership Forum, which we jointly hold with the Communist Party of China.

And it is for similar reasons that I return today, ten years later, leading a delegation of UK Parliamentarians to what is the tenth such forum, which I spoke at earlier this morning.

Now it is fair to say the relationship between China and the UK during this time has grown significantly.

President Xi Jinping came to the UK on a State Visit in 2015, launching the new 'Golden Era' between our two countries.

At the start of this year, Prime Minister Theresa May visited China to renew, strengthen and intensify our relations.

And I am pleased to return today at what is a truly crucial moment in our relationship.

For as we make preparations for our departure from the European Union, the UK Government is determined to realise our bold vision for a global Britain that will follow – an outward-looking, welcoming, free-trading country providing leadership on the world stage.

And there is no more fitting audience to discuss Britain's changing role in the world than a group of Chevening scholars – those leaders, influencers, and decision-makers from all over the world who have experienced British culture, and are committed to building lasting positive relationships with the UK.

You represent the very essence of global Britain – and remind us why delivering that vision is so important to our future prosperity and success as we forge a new role for ourselves outside the EU.

And that is what I would like to talk to you about today: the reasons the UK voted the way we did, how negotiations are progressing, and above all, how we want to emerge on the other side – the sort of country that we wish to build.

The vote to leave the EU

There were many different reasons why people voted to leave the European

Union in 2016.

As some of you here will know, I voted and campaigned hard to remain in the EU – as did many people in the UK.

But reflecting on that campaign, I think that above all else, people in the UK sought to regain a feeling of control – not just control over our laws, but over our lives too, and the decisions that affect our daily lives.

So the British electorate made a choice: they chose the power of domestic democratic control over pooling that control – meaning those decisions being made in Britain by people directly accountable to British citizens.

They chose to strengthen the role of the UK Parliament and the devolved Scottish Parliament and Welsh and Northern Ireland Assemblies, ensuring that more powers go to the devolved governments than ever before.

They chose for Britain to become an independent trading nation once again – free to sign its own trade deals with partners, friends and allies around the world.

And above all, as the Prime Minister made clear in her speech on the steps of Downing Street, the vote was a choice for wider change – to make Britain a country that works not for a privileged few, but for every one of us.

This does not mean we are no longer a proud member of the family of European nations. As the Prime Minister has made clear, we may be leaving the European Union, but we are not leaving Europe. I am confident that the powerful cultural and social ties which bind us together will endure long into the future.

Nor does it mean that we do not wish the EU to succeed: the future prosperity of the EU is profoundly in our national interest and that of the wider world, which is why we are optimistic of a broad and comprehensive trade deal that is in all of our interests.

And crucially, our vote to leave the EU does not mean that we are retreating from the global stage. As Prime Minister May said to President Xi during her visit in January, we are seizing this opportunity to become an ever-more outward-looking, global Britain...

...a Britain that is free to strike our own comprehensive trade deals with nations around the world, including, of course, China...

...while continuing to work together with our international partners to tackle head on the global challenges we will face.

This is what the British people voted for, and that is what the UK Government is committed to delivering.

Guiding principles of the negotiations

It might be useful therefore if I explain the terms of the agreement that we

are seeking for our future relationship with the EU, as set out by the Prime Minister in her Mansion House speech in March this year.

First, the agreement we reach with the EU must respect the result of the referendum. It was a vote not just to take control of our borders, laws and money, but a vote for wider change, so that no community in Britain would ever be left behind again.

Second, the new agreement we reach with the EU must endure. After Brexit both the UK and the EU want to forge ahead with building a better future for our people, and not find ourselves back at the negotiating table because things have broken down.

Third, it must protect people's jobs and security. People in the UK voted for a new and different relationship with Europe, but while the means may change, our shared goals have not – to work together to grow our economies and keep our people safe.

Fourth, it must be consistent with the kind of country we want to be, a modern, open, outward-looking, tolerant, European democracy. A nation of pioneers, innovators, explorers and creators. A country that celebrates our history and diversity, confident of our place in the world; that meets its obligations to our near neighbours and friends and partners further away. A country that is proud to stand up for its values.

And fifth, in doing all of these things, the agreement should strengthen our union of nations, England, Northern Ireland, Scotland and Wales; as well as our union of people.

Our future partnership

So these are the five tests for the deal that we will negotiate

- implementing the decision of the British people
- reaching an enduring solution
- protecting our security and prosperity
- delivering an outcome that is consistent with the kind of country we want to be
- bringing our country together, strengthening the precious union of all our people

In terms of the economic partnership we are seeking, we are clear that as the UK is leaving the European Union, we will no longer be members of its single market or its customs union.

But what we are seeking is the broadest and deepest possible agreement that covers more sectors and co-operates more fully than any other Free Trade Agreement.

We want an economic partnership that delivers the maximum possible benefits for both the UK and EU economies, while respecting the integrity of each other's institutions and autonomy.

I believe this is achievable because it is in the EU's interests as well as ours. While the EU is the UK's biggest market, the UK is also a big market for the EU, so I am confident we can reach an agreement.

And in terms of our future security partnership, we have been clear that our commitment to the defence of Europe is unconditional and immovable. As we have seen recently with events in Syria, Russia and elsewhere, the threats we face do not recognise the borders of individual nations or discriminate between them.

And our security interests do not stop at the edge of our continent.

The UK is investing in critical capabilities including

- our nuclear deterrent
- our two new aircraft carriers
- our world class special forces and intelligence agencies

We are a leading contributor to international missions around the world and we bring to the table influence and impact that comes from our full range of global relationships.

And so am I confident we can reach an agreement.

Status of negotiations

So while the negotiations have covered many complex issues, we are making good progress.

The UK and the EU recently reached an agreement on the terms of a time-limited implementation period from next year, providing certainty for both businesses and citizens.

The UK will no longer be a Member State of the European Union, but market access will continue on current terms. Common rules will remain in place until the end of the period, meaning businesses will be able to trade on the same terms until the end of 2020.

This is a decisive step forward that not only provides stability in the short term, but represents the beginning of life outside the European Union – serving as a platform on which we build our future relationship not just with the EU, but with other countries too.

For we are absolutely clear that in leaving the European Union, the UK will not retreat from the global stage.

Far from it, as a country united at home, we will be stronger abroad, and that means continuing to engage closely with our key partners around the world.

That is why we are clear that China will remain an increasingly important partner to the UK.

During the implementation period, we will be free to negotiate, ratify and sign trade deals with new partners, such as China, while continuing to benefit from the EU's existing agreements.

This will benefit not just the many businesses in England, Scotland, Wales and Northern Ireland looking for new growth markets, but Chinese firms too – boosting the prosperity of us all.

And so we hope this agreement on the implementation period will be an important step towards finalising the full Withdrawal Agreement by October this year.

It is in this spirit that negotiations continue with a positive, upbeat vision for life outside the EU that maximises the opportunities available, not just to the whole of the United Kingdom, but to our global partners too.

Global Britain

But if we are to deliver that vision – a global Britain that, standing united at home, not only tackles future challenges head on, but also confidently seizes new opportunities – countries such as China will play a critical role.

As the Prime Minister made clear during her visit, we are seizing the opportunity to become an ever-more outward-looking country, deepening our trade relations with nations around the world, including China.

And we begin from strong foundations. The UK is the sixth largest economy in the world; we are permanent members of the United Nations Security Council; the biggest European defence spender in NATO, with significant military capabilities and a proven readiness to deploy them in defence of our interests; home to world leading universities that attract the best talent from around the globe; top class research and cutting-edge innovation in every field which is the envy of the world; and thanks to institutions like the BBC and the NHS, the greatest soft power of any nation on the planet.

Our relationship with China is already broad and deep, delivering real benefits for both countries – but it can go further still.

For instance, there are huge trade opportunities in China that we want to help businesses from all four parts of the UK take advantage of.

Total trade in goods and services between the UK and China in 2017 was £67 billion – a 13.8 per cent increase from 2016; UK exports to China have grown by 68 per cent since 2010; UK firms are leaders in China's markets in financial services; and China is expected to be one of the UK's largest foreign investors by 2020.

We warmly welcome Premier Li Keqiang's announcements last month that China is continuing to "open the door" to foreign trade and investment. We look forward to continuing to work with the Chinese government to make progress on market access and remove barriers to trade, in order to realise our joint ambition of an open global economy that works for all.

We are also working together with China to confront global and regional security challenges, such as keeping up the pressure of sanctions on North Korea and co-signing the 2016 Paris agreement to tackle climate change. Indeed, there is much more we can do together in the future to combat threats such as modern slavery and human trafficking, serious organised crime, and the trade in illegal wildlife products.

And as we cement our partnership, we must maintain and enhance those vital cultural links which underpin relations between us. It is worth remembering that there are more than 150,000 Chinese students studying in UK universities, as well as thousands of UK students here in China as well – many of whom are choosing to learn Mandarin.

During the PM's visit we also launched Global Partners 2020, a new programme to establish links between future leaders in the UK and China. Indeed, it is by building such links, and by working with groups such as Chevening alumni, that we can enhance and expand these links well into the future...

...and in doing so, carry on down that path towards the future of a global Britain that is China's strong partner on the world stage...

...and as the Prime Minister made clear during her visit in January, write the new chapter of the 'Golden Era' together.

Conclusion

For our relationship with China is, and will remain, a clear priority for the UK Government.

We are fully committed to our Global Comprehensive Strategic Partnership for the twenty-first century, addressing rising global challenges; building thriving economies of the future; and enhancing further the already strong links between our people and our businesses.

I am confident therefore that we can deliver on this bold vision for a Britain outside the EU that remains open for business and is the same outward-looking, globally minded country that we always have been.

If we are to succeed in doing so however, it will be in large part down to the hard work and efforts of many of you gathered in this room.

You provide the cultural and social bedrock which underpins bilateral relations between our two countries – and I have seen during my visit how the UK and China remain deeply committed to our comprehensive agenda for bilateral cooperation.

In short, you are pivotal to the success that global Britain can, and in my view will, become.

That is why I am confident that the 'Golden Era' will go from strength to strength as we head into the future together.

Thank you very much.