

# Speech: Chancellor at the India-UK FinTech Conference

I am delighted to be here in Mumbai – the financial capital of India – and to participate in this UK-India FinTech Conference.

This conference is symbolic of the deep and burgeoning economic partnership between our two countries. It reflects our strong desire, and ability, to work together for mutual benefit.

And it demonstrates our shared determination to make this partnership stronger and deeper still by forging cooperation in new areas.

For me, it's a partnership based on a unique shared history, united by common values, and with a shared stake in each other's future prosperity and success.

That's why I'm delighted to have made India my first port of call outside Europe since the British Government triggered the start of negotiations on our exit from the European Union last week.

The vote for the UK to leave the EU was clear.

It reflected a desire for Britain to make its own decisions and to determine its own destiny. But it wasn't a vote for isolation. Far from it.

Rather, it was a vote for a more internationally-engaged, more Global Britain:

A Britain that will remain a close friend and partner to our European neighbours.

But a Britain that builds and strengthens relationships with old friends and new allies around the world too.

We will remain the strongest and most committed advocates of free trade and open markets. That is the way to continue to raise living standards for our citizens and to go on lifting millions across the world every year out of poverty.

And while we want to continue to trade with the EU as freely as possible, we also want the freedom to strike trade agreements with countries outside the European Union too – including with the fast growing economies of the world.

As the Prime Minister said when she led her first ever trade mission here to India in November, we stand the greatest chance of success when we work with partners with whom we share similar values, legal systems, approaches to business and ways of looking at the world.

That is why we have such a strong partnership between our two countries

already. And that is also why this partnership has such great potential to develop so much further.

British companies have invested more in India since 2000 than the United States or any other European nation has done.

And investment from UK companies accounts for 1 in 20 Indian jobs in the organised private sector. Indian companies, meanwhile, invest more in Britain than in the rest of the EU put together.

And Indian companies, such as Tata, are amongst the biggest employers in the UK transforming British businesses with their focused management and long-term investment.

Yesterday, I held formal discussions with Finance Minister Jaitley on a range of critical areas of cooperation as part of our [Economic and Financial Dialogue](#).

Financial services were, as you'd expect, at the heart of those talks.

In the UK, we consider our financial services sector to be world-leading, with strengths across all the major areas and the services that support them.

And we have world-leading positions in the markets of the future – whether that's green finance, FinTech, or indeed rupee and renminbi products.

We want to use the strength of that sector for the benefit of India and the UK alike.

For example, The UK already hosts more than 15 Indian banks who play a central role in our vibrant international banking community. And Britain's financial services firms are some of the most famous names in India, across insurance, asset management, FinTech and banking.

India's appetite for investment is clear, particularly in infrastructure. And the deep links between our two financial sectors can ensure that this desire is fulfilled.

London's capital markets are uniquely deep and liquid – the perfect place to raise finance from a diversified international investor base.

In the last year we've seen the creation of a whole new market, with the world's first masala bonds issued in London – raising over \$1.5 billion. To date, almost 80 percent of all masala bonds have been issued in London. And we will see even more, very soon from the Indian Renewable Energy Development Agency and the National Highways Authority of India.

And today's conference highlights another exciting area where the UK and India can collaborate to our mutual advantage – in FinTech.

In the UK, in India, around the world, FinTech products have already begun to demonstrate their huge transformational potential.

Whether it's sending money across the globe at the touch of a button on your smartphone or allowing savers to lend directly to small businesses; it has already revolutionised the way we access financial services. It's already helping consumers manage their own finances better.

And it has the potential greatly to enhance financial inclusion in the future.

I'm proud that both EY and Deloitte have independently ranked the UK as the best place in the world to succeed as a FinTech firm.

And of course, here in Mumbai you are at the heart of India's FinTech revolution, attracting over a third of total investment in India's FinTech sector in 2016. Today I visited Barclays Rise with our Special Envoy for FinTech, Eileen Burbidge, to see first-hand some brilliant examples of the many innovative FinTech firms based here. And it's great news that Barclays Rise will expand their FinTech programme, including piloting a UK-India FinTech exchange programme.

I believe there's huge potential for the UK and India to be strong partners in this high growth sector. India has 220 million active smartphone users – over three times the entire UK population! What's more, India's demonetisation programme means its financial services sector is undergoing a significant transformation.

New FinTech payment firms, small finance lenders, and insurance players are entering the market. These firms will be crucial in helping the RBI achieve its target of 90% of the population having access to banking services by 2034.

As the world leader in FinTech, the UK couldn't be better placed to help support this target, and in the process give more Indian citizens access to crucial financial services than ever before.

Yesterday, [we announced a deepening collaboration on FinTech](#).

This will help forge closer commercial ties between our companies, and comprehensive links between our regulators.

Our collaboration will benefit ambitious FinTech firms from both countries looking for opportunities to expand their businesses. We celebrate the UK FinTech firms who are already succeeding in the Indian market, including the delegation of UK FinTech firms who have joined me here in Mumbai today.

And we welcome the successful Indian FinTech firms already established in the UK.

I look forward to welcoming still more Indian FinTech investors to the UK and to seeing many of you at our [International FinTech Conference](#) in London next week.

A deeper partnership between our FinTech sectors will be good for our financial services industries, good for our economies, and good for our

consumers in both countries.

And it clearly has an important part to play in the reform programme that is developing so successfully under Prime Minister Modi and Finance Minister Jaitley's guiding hands.

So as we focus on building a stronger strategic partnership between India and the UK, I believe it is in both our interests to maximise our collaboration across our economies – and particularly in the most exciting areas of innovation, like FinTech.

In London and in Mumbai, we have deep pools of expertise and creative energy on which to draw.

And by working together, drawing on each other's strengths, we can make our respective FinTech industries stronger still, to the benefit of British and Indian consumers alike.

So I urge everyone in this room, innovators, regulators and legislators alike, to look to the opportunities ahead. And to seize them with both hands.