

# Speech: Greg Hands speech at the Financial Times Brexit and beyond summit

I would like to thank the Financial Times for hosting today's event.

This is a historic place, here at Central Hall.

In 1914, the Suffragettes – campaigning for the vote for women – met here at Central Hall.

And I am delighted to see the Prime Minister announce, at the weekend, that Millicent Fawcett will be honoured with a statue just outside, on Parliament Square.

Churchill, Gandhi, and Martin Luther King have all spoken in this building – so no pressure on any of today's speakers!

And in 1946, out of the ashes of war, the world came together, here, in a spirit of peace and co-operation for the first meeting of the United Nations General Assembly.

The then Prime Minister, Clement Atlee, welcomed delegations to 'this ancient home of liberty and order'.

So, it is a privilege to be able to address you in this historic setting: a resolute reminder of the role Britain has and always will play in the world.

Almost 1 week ago, Prime Minister Theresa May triggered Article 50: the formal process for leaving the European Union.

What will follow could be a momentous journey for Britain, as we embark upon a new chapter in our history.

We stand ready as a country full of self-confidence, ready to build a new, special and deep partnership with Europe, whilst recasting our position in the wider world.

You would struggle to find a serving minister with closer personal ties to mainland Europe than me.

As a husband to a German wife, and father of 2 children who are just as comfortable speaking German as English, being European is an intrinsic part of my British identity.

No referendum can and will change that.

The vote to leave was not a rejection of our shared European values, nor some sort of wish to undermine the ideals and principles of the EU.

Those very values have led to over 70 years – and counting – of unprecedented levels of peace, stability and prosperity across much of the continent.

And those EU ideals and principles will be crucial in ensuring the Union remains successful – something which will always be in Britain's national interest.

I campaigned on the Remain side during the referendum, but I am, above all, a democratic politician.

More British people voted to leave the EU than for anything else in our electoral history.

It was a clear instruction which the government is carrying out.

Now more than ever, the whole of Britain's focus should be on the horizon.

We should, as the Prime Minister said, no longer be defined by the vote we cast, but by our determination to make a success of the result.

That determination has manifested itself in the creation of 2 new departments – the Department for Exiting the EU and the Department for International Trade – which are charged with overseeing 'Brexit and Beyond' respectively.

So, today's theme is quite apt.

## **Department for International Trade**

And I want to talk about the role the Department for International Trade will continue to play in equipping the UK for a future outside of the EU.

For the first time since 2007, trade is back heart of government policy making, with a seat at Cabinet.

Indeed, it's the first time since 1983 that the UK has a standalone Department for Trade.

The 3 pillars of trade – finance, policy and promotion – are now under 1 roof, allowing us to be more co-ordinated than ever before.

The department's objectives are simple yet significant.

We will promote UK exports to the world; maximise opportunities for wealth creation through foreign direct investment and outward direct investment; and build a trade policy capability fit for a post-Brexit Britain.

Our purpose is clear.

We will ensure the UK becomes the most passionate advocate for global free trade anywhere in the world.

That means we will champion the benefits that trade provides to consumers, through greater choice and cheaper products and services.

And the benefits to our businesses through global value chains, the free flow of ideas and technology, and a shop window of continents rather than counties.

Amounting to over half our national income, trade ensures more jobs and stronger public services at home, whilst bolstering our influence overseas.

Indeed, we are the only G7 country to meet its obligations to spend both 2% of GDP on defence, and also 0.7% of GNI on international development.

Our global standing and internationalist spirit will always be intertwined with our willingness and ability to trade with the world.

So the message I want to leave you with today is that it is only through trade that we can build a truly Global Britain: one that seeks and ultimately realises the economic and political opportunities of an evolving and interconnected world.

My department will be at the forefront of this ambition, and there are several areas we will focus on.

## UK exports

First, we will boost UK exports the world over, ensuring our dynamic and innovative companies are well positioned on the global stage.

The diagnosis is that only 11% of UK businesses export and only 6 to 7% of goods exporters target high growth economies such as China and India.

The Federation of Small Businesses claim that 54% of small businesses do not even consider exporting.

And UK exports as a percentage of GDP languish at 28% – the lowest of any EU Member State including Germany at 46% and even Greece at 30%.

These are disappointing figures for a great trading nation, revealing so much unfulfilled potential in our economy.

That is why my department is taking bold steps to address the barriers to export that businesses are facing.

We are revolutionising export support through our world leading digital platform [great.gov.uk](https://great.gov.uk) – making it easier and simpler than ever before for British business to trade overseas.

Over 2,000 UK businesses are already registered on the platform's [Find a Buyer](#) service – which matches export ready companies with global buyers.

The platform is home to our [Exporting is GREAT](#) campaign which presents thousands of live export opportunities for which UK businesses can apply.

Add to this [100 country guides](#) with valuable market and cultural insight; and the ability to sell on the world's biggest e-marketplaces at preferential

rates; and you quickly realise that this digital platform is providing a level of export support which is simply unprecedented.

This support extends to [UK Export Finance](#) – the government’s export credit arm – which ensures no viable export fails due to lack of finance and insurance.

From hospitals in Ghana to public buses in Toronto, UK companies of all sizes are shaping the world thanks to UKEF support.

And I am delighted that last year’s Autumn Statement doubled UKEF’s risk appetite to £5 billion, whilst increasing the number of local currencies in which UKEF can offer support from 10 to 40 – from the Australian dollar to the Zambian kwacha

However, government support at home doesn’t always automatically translate to success overseas.

And here is where I want to see more UK businesses working together across the supply chain to bid for high value projects around the world.

I was, last month, in Brazil, where there is a clear demand for UK infrastructure expertise, particularly in the water sector.

And last year I visited Qatar where they are looking to the UK to help deliver the 2022 World Cup.

UK companies should be harnessing their collective expertise to seize these opportunities.

And the government’s new industrial strategy will target investment in the right areas so we can better present a ‘Team UK’ offer to the world.

## **Investment**

My department’s second priority is to encourage continued record levels of inward investment and to renew our focus on outward direct investment.

Since the referendum, the UK has attracted billions of pounds worth of FDI from the likes of Softbank, Toyota, Facebook and other global names.

My ministerial colleagues and I have travelled to over 40 countries, seeing at first hand the strength of investor sentiment.

Their continuing confidence and optimism in the UK economy is striking.

As a former Treasury Minister, I know how strong and resilient our economy is – and the figures speak for themselves.

The second fastest growing economy in the G7 last year; growth forecasts for this year being revised upwards; and rebounding consumer confidence – all point to an economy with strong underlying fundamentals, pushing us forward by pulling in investors.

Our widely admired system of commercial law creates trust; the highest levels of productivity in science and research throughout the G7 breeds innovation; and our low tax, low regulation economy shows that the UK is open for business.

These economic fundamentals have ensured that the UK remains the largest recipient of foreign direct investment in Europe.

And by renewing our focus on outward investment, we can ensure that the returns generated from the overseas assets owned by UK companies, continue to help build a strong sustainable domestic economy.

My department will be supporting UK companies expanding into new markets, accessing expertise and technology, and helping boost their overseas earnings all through overseas direct investment.

## **Trade Policy**

My final point is on trade policy capability: an area which had, up till now, been delegated to the EU on the UK's behalf.

The significance of regaining control of our own trade policy capability is clear: we will be able to strike trading arrangements with partners around the world.

Indeed, many countries have already expressed an interest in establishing agreements with us in the future – including some of the world's fastest growing economies.

The EU itself realises that 90% of future global growth is set to occur outside the borders of Europe.

UK companies should see Brexit as an opportunity to fully seize upon this growth.

We have already quadrupled the number of trade experts in my department since the referendum.

We also have one of the largest and most revered diplomatic services in the world.

Our dedicated overseas staff, with their ears to the ground in 109 markets, stand ready to help the UK re-engage with the world.

But our commitment to the rest of Europe remains steadfast.

We will be the best friends and closest ally to our European neighbours, with whom we have achieved so much, with much more yet to be accomplished.

Across security, defence, academia and culture we aim to maintain, and where possible strengthen, our existing ties.

And we will seek the greatest possible tariff and barrier-free trade with our

European partners.

We start from a unique position – close regulatory alignment, trust in one another's institutions, and a spirit of cooperation stretching back decades – particularly in areas such as financial services and manufacturing.

The key is to put consumers, jobs and businesses at the heart of the negotiations.

Their interests, not political posturing or brinkmanship, should be the elephant in the negotiating rooms.

## **Free Trade**

A Global Britain also has a wider responsibility.

A responsibility to stand tall against a rising tide of protectionism, which has led to a projected slowdown in the growth of global trade.

As an EU member, we have always championed free and fair trade.

When we leave, and as we take up our independent seat at the World Trade Organisation, we will continue to attack the very measures that defend narrow minded protectionist interests.

As a champion of free trade, Britain remains a friend to the global consumer, a partner to global business, and a support to developing economies wishing to trade their way out of poverty.

## **Conclusion**

In conclusion, the UK is at a momentous juncture in our much storied history.

And it is in times such as these that the attitude and approach we choose ends up determining our future.

We could just turn our backs to the world, pull up the draw bridge, and be satisfied with our lot.

But this government, and in particular my department, isn't interested in that course of action.

Instead, we will choose to be bold and ambitious: building partnerships with those, who like us, believe that trade is the surest way to securing our collective freedom and economic security.

And we will harness this country's long held internationalist instincts, symbolised by this very building, to shape a brighter and more prosperous future for the United Kingdom.

Thank you.