

Speech: Malaysia and Britain: Partners in a post-Brexit world

Good afternoon, and thank you all for that welcome. It is a pleasure to be here in Malaysia, and a privilege to be able to address the representatives of some of this country's leading firms.

Before I begin, I must start by thanking all of those who have made today's event possible.

Firstly, I am grateful to my Malaysian counterparts – the Ministry of International Trade and Industry, for hosting today's event and providing such an excellent venue.

The Malaysian External Trade Development Council and the Malaysian Investment Development Authority have also been instrumental in helping to deliver this event.

And, of course, The National Chamber of Commerce and Industry of Malaysia, and their counterpart the British Malaysia Chamber of Commerce, must be thanked for marketing this event, and ensuring such a distinguished audience.

A huge variety of industries are represented here today, from business services to infrastructure to aviation and everything in between.

Your presence here today is not only a gesture of commercial interest, but it is also an act of friendship, a signal of your desire to enhance Malaysia's trading relationship with the United Kingdom, as we open a new chapter in our nation's history.

As I'm sure many of you will be aware, last week the UK triggered Article 50, formally initiating our departure from the EU.

We are at the beginning of a 2 year-process, and over the next 24 months, Britain will not only negotiate a new relationship with the European Union, but will fundamentally recast our place in the world.

The UK government's ambition is to build a Global Britain – a nation that is outward-looking and internationalist, rejecting insularity and continuing to play a prominent role in global affairs.

Trade is central to this ambition.

We want Britain to become a global champion of free trade, a nation at the heart of world commerce, working with our international allies and partners to remove barriers and liberalise trading practices.

The UK is looking to agree a comprehensive new trading relationship with the European Union, but at the same time renew our commitment to our oldest and closest international partnerships, as we seek to embrace the wider world.

Our relationship with Malaysia is very important to the UK.

Our 2 countries have always enjoyed a close commercial, political and diplomatic partnership.

At an individual level, the relationship between the British and Malaysian peoples has never been stronger. There are over 17,000 Malaysians currently studying in the UK.

In addition, there are nearly 80,000 more studying for UK qualifications in Malaysia – a figure second only to China. We are very lucky to count Prime Minister Najib as a former student – one of half a million Malaysian alumni of British institutions.

Internationally, our co-operation remains as strong as ever. This is reflected not only in our membership of the Commonwealth, but also in the Five Powers Defence Arrangements.

Your economy is consistently ranked among the most competitive in the world, and like the UK, you are one of the top nations in the World Bank's Ease of Doing Business Index.

Malaysia and the UK share a common attitude to trade and investment and a welcoming commercial environment.

At a time when protectionism and barriers to trade are going up across the world, Malaysia has a respect for trading freedoms that welcomes international investors.

This is exemplified by ASEAN, a network that is a world leader in economic growth and commercial opportunity. As a prominent member, Malaysia is an increasingly important partner not just for the UK, but the whole world.

I need hardly remind those here today of the fundamental strengths of the Malaysian economy.

It is because of this energy, drive and dynamism that I am here today, strengthening the economic and commercial ties that unite our nations.

Our partnership has already delivered much for both our countries.

A recent survey by the High Commission found that the UK's 24 leading investors in Malaysia, many of whom are represented here today, employ over 80,000 Malaysians and are responsible for investments worth over 90 billion ringgit.

These British companies have a unique confidence in Malaysia and her booming economy, and other UK investors are also helping to develop new industries and commercial sectors.

Dyson, for example, employ over 1,000 local engineers, and BAE Systems employs 400 highly skilled people here in Kuala Lumpur working in its Cyber Security Global Engineering Centre, including a graduate recruitment

programme working in conjunction with local universities.

Such jobs are harnessing the talent and ambition of young Malaysians, and spreading the experience, knowledge and expertise of leading UK firms to the next generation.

They are investing in Malaysia's future.

International trade is, of course, a 2 way process, and the United Kingdom has in turn benefitted hugely from Malaysian investors in recent years.

As the Malaysian economy has boomed, so has your investment in the UK. In the 5 years to 2016, it grew by an astonishing 200%, and was valued at £28.5 billion Ringgit, approximately £5.2 billion.

Among the most visible investment projects in the UK is the £10 billion regeneration of Battersea Power Station.

This iconic London landmark has been given a new lease of life by our partnership with Malaysia.

This country's investment has advanced a huge variety of the UK's industries, from healthcare to leisure to automotive engineering. It has become part of the fabric of British life.

Yet, for all these successes, there is more to be done.

Although we in the UK have been buying ever more Malaysian goods and services, our exports to your country have suffered a decline.

Overall, the value of our mutual trade has shrunk by 2.7% since 2013. It is a disappointing statistic for 2 such complementary economies.

There is no reason why this should be so. Both of our economies are experiencing remarkable growth.

The UK and Malaysia are both business friendly, outward-looking nations, brimming with commercial and investment opportunities.

I am here today to open a new chapter, to further promote our joint commerce and stimulate our mutual trading relationship.

In recognition of the substantial bilateral trade and investment opportunities that exist, the Prime Minister last year appointed a [Trade Envoy](#) to Malaysia, Richard Graham MP.

He is here with me today and has, with the support of our partner, the British Malaysia Chamber of Commerce, been busy scoping new opportunities for British and Malaysian companies to work together in Johor.

You can expect to see a lot more of him in the future!

My own Department for International Trade has been working to promote opportunities across key sectors.

Last year, DIT signed a Memorandum of Understanding with the Malaysia Digital Economy Corporation, a move that has led to 2 UK visits, and significant interest from the UK technology and research sector in the huge opportunities available here.

Later this year, a 'mega-mission', of 50 of the UK's leading tech companies will visit Malaysia, looking to cement this relationship.

In 2016, the Education is GREAT campaign was officially launched, aiming to expand a sector that has been at the heart of our bilateral relationship for 2 centuries, since the first English international school opened in Penang in 1816.

Today, there are over 100 international schools teaching the British curriculum in Malaysia, 5 university branch campuses, and over 125 institutions that offer UK degrees.

This is a truly remarkable achievement, and will form the basis of a cultural, political and commercial partnership that will stretch far into the future.

The [GREAT campaign](#) is the largest of its kind in the world, a global drive to promote the UK as a destination for trade, investment, tourism and study.

Yet it is also about working with our partners to spread UK knowledge and expertise across the globe.

This Formula One season, [McLaren will become our official GREAT partners](#), working to promote British research and development strength and education in Science, Technology, Engineering and Mathematics.

Look out for their GREAT branded cars at your own Grand Prix in October!

McLaren's involvement in the GREAT campaign illustrates a wider point that I wish to leave you with today.

Our government will do everything it can to promote trade and investment, but we cannot do it without you, our leading companies, to capitalise on these opportunities and expand that relationship.

You are the wealth creators. You are the ones who generate jobs, stimulate economic growth, and spread prosperity between our countries.

Our businesses matter. Not for nothing is Malaysia ranked among the best places in the world to do business.

Events like today are crucial if we are to build those business-to-business relationships, and seize the opportunities of the future.

My department is listening, and our team at the British High Commission will do everything they can to help you on that journey. But we cannot make it for you.

Malaysia is important to us, and our 2 countries have a long and prosperous history together.

But I firmly believe that the best days of our partnership lie ahead.

Our economies are complementary, we share the same values, and the connection between our nations, at every level, is stronger than ever.

As the UK leaves the European Union, we have an unprecedented opportunity to work with our partners across the world to drive prosperity, champion free trade, and deliver a better future for all our citizens.

Malaysia, and Malaysian companies, are our partners on this journey.

Thank you.