

Speech: Minister Fairhead: speech to launch the Export Strategy

Our country is already an exporting power.

We're pretty good at it! Last year our exports grew over 10% that makes us more than 30% of the economy comes from exports but as the Secretary of State said that still leaves us in the middle of the G7 pack – and just to put it in context if you look at Germany, less than 20 years ago, Germany had exports as a percentage of GDP at 30%. Today it is 47%.

Our ambition is to move the UK nearer the top – and the first step is to get to 35% of GDP.

As the Secretary of State has said, rather than being an exporting power, we aim to be an exporting superpower!

And that's why we're launching this Export Strategy today.

Some government strategies are about solving problems – social or economic. Some are about mitigating risks.

This I am pleased to say, is about building on our strengths and rising to the challenge, and rising together.

We do have some awesome businesses in this country. The world has shown that it is ready for our goods and services.

We now have an [Industrial Strategy](#), and I've seen it on the ground – these sector deals are really resonating, not just in the UK but they are resonating in overseas markets where the focus on particular sectors is really starting to be noticed.

So we see it as my department being the international wing of that industrial strategy.

We have so much potential.

But I think what it needs is businesses and government across government, private sector providers, all working together, adopting a collaborative approach, that the Secretary of State mentioned, and I think if we do, the change can be utterly transformational.

For, someone like me that has come from the private sector I am really clear that it is businesses that export and the people that we should be listening to are businesses so this is very much a business led strategy, so it is companies like yours or businesses you represent.

So this strategy has to be business led.

We've undertaken massive – and continuing – engagement with businesses – exporters, business organisations and associations who represent them as well as private-sector providers of export support; we have had over 25 roundtables all across the country.

I myself have been in Edinburgh, Belfast, Cardiff and all across the UK and I would like to say thank you to all of you for taking part – the CBI, IoD, British Chambers, FSB and many of you who helped make sure this is what business wants because from my perspective if we can serve business needs that will help us export more.

This strategy is developed with you and for you.

We started to try and understand what the barriers are that businesses face and that's what we've based our focus on.

And companies have also been clear that government can play a very fundamental role particularly by focussing on 'doing things that only government can do'. And by being clearer and prioritising more.

So this strategy doesn't duplicate private sector export advice – or its export financing. We are targeting where the government can add genuine value.

And what have businesses told us? What you'll see in the strategy is that we've focussed on 4 main areas :

Firstly – encouraging more companies to export, for the reasons outlined by the Secretary of State and for more countries to look at UK goods and services

Secondly – to help inform our companies

Thirdly – using the connecting and convening power of government in a significantly enhanced way.

And finally, providing finance in areas of market failure.

Let me take each in turn.

Firstly: encouraging firms to export. Many new exporters told us that, once they did start exporting, it was less difficult than they'd thought – they wished they'd started sooner!

But businesses were clear that they are much more likely to listen to – and benefit from their peers, government telling business this is how you export doesn't work, talking to a peer about a similar product in a similar market really has impact.

So we will build up a national network of UK Export Champions – we are starting with the good practice of the [Midlands Engine](#) and the [Northern Powerhouse](#) who are at 500 Export Champions now and we will expand that right across the UK.

We'll also develop an online community so that we can have interaction in a much more time efficient way because that's what businesses told us "we're time poor, we want to export but we don't have time so help us have a time efficient way to go forward".

We'll also deploy our resources to encourage overseas buyers to buy British products and services.

This activity will encompass large expos – such as [Dubai 2020](#), or the Great British Festival of Innovation and Creativity held in Hong Kong in March this year; we will continue to use the PM's [Trade Envoys](#), who are incredibly valuable to us in opening markets – I see that Lord Poppat is here – there may be others too – the Trade Envoys network is powerful. And also focussed missions.

I went on a trade mission on augmented reality and gaming capability to Mumbai and Bangalore with a small group of British companies – the aim was for them to identify some suppliers – one company who accompanied, called Spearhead, an augmented reality company, not just found suppliers but also was spotted by a large energy company who said they would like to use their technology.

These trade missions really work so we will do more.

Secondly: informing. Many businesses, especially small ones, said they didn't have the expertise to export: lacking knowledge about local business cultures, regulations, or consumer needs.

So they need help in understanding where the opportunities are.

We believe that, alongside support from our trade advisers, we can use our website great.gov.uk – one-stop-shop for digital advice for companies entering overseas markets.

Central to that plan is our desire to improve over the next 2 months – the number of opportunities listed on our site, currently 1750 – we aim to increase that to the tens of thousands. So that firms can understand, do they have the capacity and the capability.

In the future we will aim to apply machine learning and big data for companies who opt in – so that we can prompt them if we identify opportunities that might be of interest to them.

We also need to harness the extensive support that is available from other sources.

So we are working with private sector providers to help us signpost more because that's another message from business – "all of this support is available but who do I go to?" so what we are trying to do is find ways to signpost and there will be no wrong door.

Thirdly: connecting. I was struck by how much firms said to us during our consultation that that ability to connect – just by holding an event at one

of our posts overseas – how it brings in those local potential customers and that is where we can step in.

Government is already acting to help support consortia of UK firms to bid on foreign contracts.

Many other nations have a concept of Team-whatever their country is, we need to have 'Team-UK' approach.

At the forefront of this we have [Infrastructure Exports: UK](#), where we have pulled together a group of businesses to identify specific opportunities and we're going out with an offer to overseas markets.

In similar fashion, the Department for International Trade, including [UK Export Finance](#), is working with other government departments to organise supplier fairs, where foreign buyers can bring specific opportunities directly to UK businesses, an initiative which has already seen astonishing success.

As well as convening businesses, we also plan to make even more effective use of those attributes only government has. For example, we have a huge overseas network – 108 countries worldwide – and we are able to more efficiently understand where opportunities are and connect back better with our team to make sure companies are aware of them.

We recognise that in many countries, UK-government backing is seen as a seal of quality – so we will be focussing more on our government-to-government offer. And our trade policy arm will be actively working to improve market access and regulation. It's a real benefit of having DIT – with trade policy, investment and exports all in one department so we can work together.

To assist this activity, we will be setting up a new digital service to help companies report trade barriers, to help us target our work more effectively.

All of this work will be supported by the new network we have of our 9 new Her Majesty's Trade Commissioners, that is government signalling that business really matters overseas and to elevate to Trade Commissioners who have real heft in overseas markets to help with those plans.

Fourth and finally: finance. Many companies say that finance is something that stops them competing on a level playing field to win contracts, or to fulfil those contracts, and make sure they get paid at the end.

At the moment, many firms say they aren't getting that – or that by the time they get it, the opportunity has already gone.

So we have put finance at the heart of the Export Strategy.

The mission of UK Export Finance – the world's oldest export credit agency – is for no viable project will fail due to lack of finance or insurance.

We have a £50 billion capacity, we provide multiple export finance products, including working capital and political risk insurance. We also offer the

ability to 'buy British pay local' now in over 60 currencies.

This is a service, for those who might not know about it, which has been radically improved over the last few years.

It is now ranked as one of the top Export Agencies in the world. For those companies who use it, they say it is a 'game-changer'. So where, you might, sensibly, ask is the problem?

And the problem is this, it is one of the best kept secrets – big companies know about it, SMEs do not. So part of our plan is to build awareness of UKEF and we have also put more UKEF advisers into overseas markets so we have that connection there too.

We will also continue to develop a suite of products to make sure that they stay at the top of the rankings. This is a strategy which is not just in England, it is right across the UK and the Department for International Trade operates right across the UK.

Another piece of good news: we're not beginning from a standing start. Businesses already say time and again through our consultation, "don't rip our everything that you're doing and throw it out because this is a new strategy – keep what's working and build on it" so that's what we've done.

And let me say one last thing before I conclude.

Clearly our role is to take the lead on supporting businesses to export. If we are to achieve our aim we have to work right across government because all almost every government department has businesses inside their portfolio that have the capacity to export.

Through our overseas networks, we naturally work very closely with the Foreign Office and DFID.

And as the international part of the Industrial Strategy I'm very pleased we are increasingly working with BEIS.

In fact one of the real impacts of industrial society is that opportunity and exports are really starting to hit the national conversation and my hope is that that conversation, like the conversation now on productivity, becomes a national one – a national conversation about exporting.

But it requires joining up right across government and that's why I'm particularly pleased, as the Secretary of State said that this has been developed in collaboration with our partners partners at the Department for Transport, Her Majesty's Treasury, and the Department for Health, among many others.

And that's why I'm confident this has a really great chance of being a success – it can be a catalyst that transforms lives, businesses, their workers and creates businesses that can be handed down through generations,

Now, I'm a businessperson, strategy is one thing but it doesn't get

implemented if it becomes a report that gathers dust.

It's the implementation that matters most – this strategy was designed with that in mind.

I'm delighted that we've been able to appoint some great people in our department and we have brought in 2 Director Generals – [John Mahon](#) who will be answering your questions today alongside Liam and myself – he was a senior business executive at Barclays – he will be leading this strategy and operationalising it.

As we said at the beginning, this is just the first step. We aim to implement this successfully and then build on Export Strategy 2.0 to turbocharge that performance.

So my request for you today is simple let's start that national conversation today on exports – we do have an exciting national challenge.

Let's rise to it – government, and business together and become that exporting superpower so that we can hand over truly great heritage to generations to come.

Thank you