

Speech: Minister Fairhead: speech to launch the Export Strategy

[Read the government's Export Strategy.](#)

Our country is already an exporting power. We're pretty good at it. Last year our exports grew over 10% to more than £600 billion – they now make up 30% of GDP.

But that still leaves us in the middle of the G7 pack. Less than 20 years ago, German exports were 30% of GDP, today they are 47%.

Our ambition is to move to nearer the top and to increase exports as a first step to 35%.

Rather than an exporting power, we aim to be an exporting powerhouse!

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

As the Secretary of State said, we have great businesses, and the world is ready for our goods and services.

We now have an [Industrial Strategy](#) which resonates with the business community – backed by serious government investment.

We see the DIT's job as being the international wing of that strategy.

We have so much potential.

And we have the opportunity – us, as a country together, with government alongside business – to rise to that challenge.

And if we meet that challenge, it will be transformational.

For, as someone with over 30 years of business experience, it is clear to me that government does not export, companies like yours and your members do.

So this strategy has to be business led.

We've undertaken massive and continuing engagement with businesses exporters, business organisations and associations as well as private-sector providers of export support; through over 25 roundtables all across the country, meetings, workshops and user surveys.

This strategy is developed with you and for you.

We've worked to understand what the barriers are that businesses face and where government can help.

And companies have also been clear that government can play a very fundamental role in supporting exports: 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. Instead, it targets support where the government can add genuine value.

And what have businesses told us? We've identified 4 main areas:

Firstly – encouraging more companies to export and more countries to look at UK goods and services. Secondly – informing our companies in a more effective, pragmatic way. Thirdly – providing finance in areas of market failure, and finally – using the connecting and convening power of government in a significantly enhanced way.

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, with similar and relevant experiences rather than government .

So we will build up a national network of Export Champions – businesses who have successfully exported and have the credibility to mentor others to do the same. Currently, we have over 500 from the excellent work in the [Midlands Engine](#) and [Northern Powerhouse](#). We can build on this and take it further. We'll also develop an online community for businesses to network and share information in a more time efficient way.

We'll also deploy our resources to encourage overseas buyers to buy British. This activity will encompass large expos – such as [Dubai 2020](#), or the Great British Festival of Innovation and Technology held in Hong Kong this year, continued use of the PM [Trade Envoys](#) but also more targeted, focussed missions which highlight specific areas of expertise. I returned from a very targeted such mission to Mumbai and Bangalore with virtual reality and gaming technology. The results exceeded our hopes!

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.

Companies need help in understanding opportunities overseas.

We believe that, alongside support from our trade advisers, an improved [great.gov.uk](#) – one-stop-shop for digital advice for companies entering

overseas markets – can be part of the solution.

Central to the improvements is our plan to increase, over the next 2 months, the number of opportunities listed on our site from 1750 to the tens of thousands. This will allow firms to discover contracts which match their capabilities and capacity.

In the future we will aim to apply machine learning and big data for companies who opt in, so that we can ‘nudge’ them if we identify possible opportunities.

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

So we are working on ways to signpost firms to private sector support more effectively, too. As part of the Industrial Strategy, the government is reviewing the private sector market in export and business advisory services more broadly – the results of which will inform our efforts to direct companies to the right support for their needs. Our aim is that there will be “no wrong door” for businesses seeking support.

Thirdly: Connecting. This was identified as a core and unique capability of government. Many businesses lack an ‘in’ to local markets abroad or face obstacles in selling abroad.

This is where government can really step in – we are uniquely placed to reduce barriers to trade.

Government is already acting to help support consortia bids from UK firms on foreign contracts. At the forefront of this we have [Infrastructure Exports: UK](#), a body led between industry and government working to convene businesses from throughout the infrastructure supply chain to present overseas buyers with a complete UK offer to meet their needs.

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 aim to deploy the government’s outstanding and extensive overseas network – present in 108 countries worldwide – even more efficiently to ensure UK businesses have unrivalled access to overseas opportunities. As part of this, we are acting to ensure the effective linking up between our teams in the UK and those based in posts abroad.

And I am pleased to say that we have delivered on our promise to publish upcoming ministerial visits online so that businesses can get in touch if they feel they could benefit from international ministerial engagement.

We recognise that in many countries, UK-government backing is seen as a seal

of quality – especially where the state plays a bigger role in the economy than it does here in the UK.

So we will also be focussing more on our government-to-government offer. And our trade policy arm will be actively working to improve market access and regulation.

To assist this activity, we will be setting up a new digital service to report trade barriers, enabling us to target our lobbying efforts in improving market access.

And we will be developing new government-to-government agreements that include a state-level commitment to UK goods and services.

This will be supported by the work of our nine new Her Majesty's Trade Commissioners, who are now all in place and will be leading our overseas teams, setting a clear vision and direction for DIT's operations in each region.

Fourth and finally: Finance. Companies need export and trade finance to let them compete on a level playing field to win contracts, fulfil those contracts, and make sure they get paid at the end.

At the moment, many firms say they aren't getting that finance – 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 export to fail due to lack of finance or insurance. We have a £50 billion export finance capacity, we provide multiple export finance support products, including working capital and political risk insurance. We also offer the capability to 'buy British pay local' by providing export finance in over 60 currencies.

And this is a service which has been substantially improved in the very recent past. UK Export Finance is now a world leading export credit agency. For those companies who use it, it is often described as a 'game-changer'. So where, you might ask is the problem?

It's because it remains one of the best kept secrets – we need more businesses – particularly SMEs to take up the offer. So we are planning several actions to do just that – creating an awareness building campaign, posting our UKEF advisers overseas to hook up companies with opportunities and increasing the number of Supplier Fairs to engage SMEs.

We will also continue to develop enhancements to UK Export Finance's suite of products and consider the potential for new ones to remain at the top of the rankings.

Another piece of good news: we're not beginning from a standing start. Businesses already say time and again that government provides services of real value. This strategy is about enhancing that value to the maximum extent, and focussing our support on those services that businesses really

need from government.

And let me say one last thing before I conclude.

DIT is clearly the lead department on supporting exporters, but we must join up across government to achieve our aim. For almost every government department has a role to play.

Through our overseas networks, we naturally work alongside the Foreign Office and DFID. As the international wing of BEIS's Industrial Strategy they are also a critical partner. And together we can help improve the productivity of our nation.

But joining up reaches further. That's why I'm delighted that this strategy has been devised in close collaboration with our 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 strategy will be a success – and that it will make real difference to our economy. It can be the catalyst that transforms thousands of businesses and workers lives up and down the country.

Of course a strategy without implementation is just a document to collect dust.

It's the implementation that matters – the effect the strategy has on real businesses.

That's why the strategy was designed with implementation in mind, from the ground up.

That's why we've appointed a senior business executive, [John Mahon](#), with us here today, as our new Director-General for Exports.

So this launch is just the first step. We aim to implement this successfully while continuing to engage with business to identify what further changes – in policy or regulation or support – that can turbocharge our performance.

We have an exciting national challenge. Let's rise to it – government, and business together and become that global powerhouse to hand over to generations to come.

Thank you.