

Speech: The future of UK-Vietnam trading relationships

I'd like to firstly welcome Vice-Minister Vuong here to the UK: I'm looking forward to a valuable discussion later today. And to the PM's trade envoy and my good friend, the Right Honourable Ed Vaizey. And thank you to the Greater Manchester Chamber of Commerce for letting us host you here.

I believe many of you are also attending the workshop the Department for International Trade is running at 10am, to show you how you can trade more effectively in Vietnam.

But I want to touch on something slightly different.

Not how you can trade, but why: why do we think you should trade with Vietnam? Why is the government so keen to support you?

It's helpful here if we take a step back and fix our eye on the wider context.

Britain is one of the world's natural trading nations.

Manchester itself is a great example of that – we're barely 2 minutes' walk from the old Free Trade Hall, which as the name suggests was literally built to celebrate the fruits of trade. I'm a great Manchester enthusiast – except for the football; I'm MP for Chelsea and Fulham.

But people often mistakenly think that's something historical.

I'm sure those of you who work in manufacturing will have heard that annoying phrase – “why doesn't Britain make anything anymore?”, which isn't even true. People say the same to me about exports.

But actually, exporting is an unsung success story: and is going on right now.

In recent years we've leapfrogged long-term competitors, and we now export more than France and Japan.

We're now the world's fourth largest exporter – and the second largest exporter of services.

The figures speak for themselves: we export well over £600 billion per year.

We've also got more than £1.2 trillion invested abroad.

So we're good at trade; it's one of our strengths.

And that's why the government is interested.

If we want a future with higher incomes and higher employment, we need to

play to our strengths as a country, and seize the opportunities of free trade.

And the greatest opportunities are in countries like Vietnam.

According to the IMF, 90% of world growth in the next 10 to 15 years is going to come from outside Europe. Vietnam itself grew at nearly 7% last year.

Our trade has leapt up 22% in a single year, and that's only going to be the start.

In politics we often slip into abstractions when we talk about the economy. But for Vietnam that has meant literally millions of people lifted out of poverty.

And it means tangible opportunities for firms like yourselves.

Because I believe that British businesses have a lot to offer Vietnam.

Our business and professional services are world-renowned.

Our firms and manufacturers are exceptionally innovative.

And that's supported by a world-class science base – we're ranked third worldwide for academic citations – and Manchester is one of our leaders here, the discover of graphene and home to Christies, the world-renowned cancer hospital.

To give just one example, Vietnam is a growing and popular market for British education companies, for both services and equipment; and the UK is a popular destination for Vietnamese students.

The British curriculum is the most popular choice for Vietnam's rapidly growing international schools system, and there's an increasing interest in vocational training partnerships in key sectors such as automotive and aviation.

That's not a one-off – it's replicated in sector after sector.

So trade with Vietnam is a great opportunity, and it's one you, and other firms in the North-West and across Britain, are uniquely placed to understand.

And I can promise you that the government can and will help you with that.

Trade is one of the government's top priorities.

For the first time ever we have a government department solely devoted to increasing international trade. We now have 4 trade ministers, and we've made over 160 overseas visits in less than 2 years.

And we'll soon be publishing our new Export Strategy, to drive a step-change in our exporting.

And Vietnam is a country we want to trade more with, which is why I'm so pleased to welcome the Vice Minister here today; and why the Prime Minister appointed someone of the calibre of my friend and colleague Ed Vaizey as our trade envoy.

And the North-West is a region we want to trade more from.

That's why the driving theme of the government's [Industrial Strategy](#) was to increase growth outside London and the South-East.

That's why we have the [Northern Powerhouse](#).

I know the Vietnamese government also value regional growth, and I welcome the delegation from Quang Ninh province.

So we can help you trade – we can give you the help you need to sell overseas.

That partly means giving direct export support – [UK Export Finance](#) now has up to £2 billion in credit for the Vietnamese market – or giving advice, for instance through our Vietnam-based team of trade advisers.

But it also means supporting you to have the best market access possible.

Within the EU, we've been one of the strongest supporters of a Vietnam-EU trade agreement. We look forward to that being signed.

And we look forward to transitioning that trade deal as we leave, to become a UK-Vietnam Trade Deal – between the world's fifth-largest economy and the world's 14th most populous country.

Because trade has delivered so much to this city, and so much to both our countries.

And it can continue to flourish; I predict it will.