

Speech: Transcript of speech given by the Prime Minister

Shinzō Abe

Good afternoon. My name is Shinzō Abe. With Prime Minister May today we are able to make this address at this Business Forum between JETRO and DTI of – DIT of UK are to sign this memorandum of cooperation. We're very happy to be able to witness this.

For Japan, the UK is freedom, democracy, and human rights and rule of law. We share these universal values with the United Kingdom. We are global strategic partners. Security and economy are the two wheels supporting this relationship. Active trade and investment relationship between the two countries is the solid foundation of our relationship.

This time around, Prime Minister May, out of her very busy schedule, has come to Japan, and we are very, very pleased to receive her. Yesterday, we met in Kyoto. We had a chance to familiarise Prime Minister May with the tea ceremony, and we had dined in Kyoto, and we had a discussion on a number of issues in front of us.

Normally, we could have asked her to stay in Kyoto for one night, and I could have had more time – relaxing time in Kyoto, but Prime Minister May took a bullet train back to Tokyo, and this morning, a vessel – Japanese Maritime Self-Defence Force vessel Izumo, she went aboard. Initial Izumo was built in the United Kingdom, this vessel, so from the olden times, Japan and the UK had this bond in the area of security. This is something that I want to make mention of here.

For Japanese businesses, the UK, for manufacturing and sales and R&D in Europe, this is a very important base, this country United Kingdom. And currently in the UK, about one thousand Japanese companies have outlets, and more than 160,000 people are being employed. These activities by Japanese companies with leading-edge technology, innovation is being created, and through technological transfer, domestic skill base is being enhanced and productivity – and export capability is being strengthened. And with the vitalisation of local economies, Japanese businesses are making great contribution to the UK economy, supporting UK systems or society through provision of various systems, including, in the manufacturing sector, annual auto production units. There is by 1.7 million and three Japanese companies' share is about 50% of this total production.

In June of this year, Queen Elizabeth – 175 years ago, Queen Victoria for the first time in the royal family took a train trip between Slough and Paddington. High-speed rail, new rolling stock was used for her travel, and that rolling stock was produced by a Japanese company. In 2014, when I visited the UK, Japanese companies manufactured high-speed rail, I took a ride on that high-speed rail, and I was able to appreciate that Japanese

companies' technology into the daily lives of the British people. I witnessed that with great pleasure.

With the UK leaving the European Union, the UK is in the midst of change, great change. UK's departure from the EU has to be successful for UK, European Union and global economy. This is going to be quite important that this exit is going to be a successful one. After Brexit, the UK economy, I have trust in the UK economy after Brexit. Many Japanese companies, even after the Brexit vote, they have decided on new investments into the United Kingdom. This is testimony of Japanese companies' expectation for the United Kingdom.

From the UK, in the EU exit negotiation, there has to be transparency and predictivity, to minimise any damage on the businesses. We have received that commitment, and we value this greatly. Even after Brexit, the UK, for business people, it will continue to be an attractive place, a compelling place. I am convinced of that.

So today, in this Business Forum, there are many people attending this Business Forum from businesses both from Japan and the UK. This is a reflection of the high level of interest and expectation in each other. I do hope that this is going to be a great opportunity, under the participation and attendance of Secretary of State Fox. I do hope that there is going to be further development for trade and investment between the two countries, and I do hope that there's going to be a lot of discussion today in this forum. There's going to be a summit meeting with Prime Minister May this evening, and I do hope that there's going to be a strengthened economic relationship between the two countries. We will talk about some concrete matters about such cooperation between the two countries. I look forward to that meeting. Thank you very much.

Prime Minister

Thank you. And I am delighted to be here today, together with so many leading Japanese and British businesses whose trade and investment is fundamental to the jobs and growth that underpin our shared prosperity. And I want to thank the Japan External Trade Organization for co-hosting this event, and Prime Minister Abe for his speech and for the deep and continued commitment that he is showing to the partnership between our two countries.

This is a formative period in shaping the future of my country and as we leave the European Union, so I am determined that we will seize the opportunity to become an ever more outward-looking Global Britain, deepening our trade relations with old friends and new allies around the world. And there are few places where the opportunities of doing so are greater than Japan, the third-largest economy in the world.

Japanese companies already invest over £40 billion in the United Kingdom, making the UK second only to America as Japan's top investment destination, while over 1,000 Japanese companies already employ over 140,000 people in Britain. And, as Secretary of State Fox said, the last 12 months have seen our bilateral trade increase by more than 12% and I very much welcome the

commitment from Japanese companies – such as Nissan, Toyota, SoftBank and Hitachi – whose investments over the last year represent a powerful vote of confidence in the long-term strength of the UK economy.

And on Hitachi, I'm very pleased that the Chairman, Mr Nakanishi, is delivering a speech here today. Hitachi's relationship with the UK, in particular their investments into rail, nuclear and a range of other sectors, are truly impressive.

So, I am here together with a business delegation representing some of Britain's biggest investors in Japan because we want to build on that momentum and because I believe that this is a good moment for like-minded partners such as Britain and Japan to be doing more together. For as we become a Global Britain – a European nation still, but one that is outside the European Union – so we will be free to engage more actively and independently, particularly in key Asian markets like Japan. And against the backdrop of a more uncertain world, it is dependable and like-minded partners such as the United Kingdom who will stand with Japan in defending the rules-based international system and the open markets on which so much of our business is based.

So, I come to this forum today seeking to lay the foundations to take our trade and investment relationship to a whole new level as we leave the European Union, and I've agreed with Prime Minister Abe that we will develop an ambitious programme of joint working to help achieve this.

So, we're instructing our ministers responsible for trade, investment and business to develop a new framework, to realise our shared long-term vision, to deepen our bilateral prosperity relationship. This will be supported by business-to-government engagement to ensure it serves the needs of businesses like yours, and it will include a new Trade and Investment Working Group to deliver across our trade and innovation relationships.

Government dialogues will be established on a range of key industrial policies where we share great strengths, such as aviation, space, life sciences and advanced manufacturing. And the UK is also providing £700,000 of new funding to promote opportunities for UK businesses around Japan. And we will continue to collaborate on research and development, deepening our cooperation in this vital area and seeking to spread jobs and prosperity across all regions of our countries.

During the period before we leave the European Union, the UK will continue to champion the early signature and implementation of the Japan-EU Economic Partnership Agreement. This will be our immediate priority, but as we leave the EU, so we will also work quickly to establish a new economic partnership between the UK and Japan based on the terms of this EU agreement.

We will also seek to ensure the freest and most frictionless trade possible between the UK and the EU, and this includes the imperative of a smooth and orderly transition for people and businesses in the UK and in Japan, in the remaining 27 Member States and for all our partners around the world.

Through all these steps, we will ensure the greatest possible confidence in our economy and we will build the closest, freest trading relationship between our two countries for when the UK leaves the European Union; that is the magnitude of our ambition and the scale of our commitment to it. And Prime Minister Abe and I look forward to working with you in the months and years ahead as we strive to achieve it, and with it to secure the jobs and investments that will bring prosperity to our peoples for generations to come.

Thank you.