

# UK and Commonwealth will champion free trade in face of growing global challenges

The UK will discuss with its Commonwealth partners the importance of promoting an open, fair and inclusive global rules-based system with the World Trade Organization (WTO) at its heart and underline the importance of fighting protectionism.

International Trade Secretary, Liz Truss has today addressed Commonwealth Ministers and High Commissioners at a reception to mark the start of the annual Commonwealth Trade Ministers Meeting.

## **Speaking at the reception in London, Ms Truss said:**

We face a challenging global outlook in which protectionist tendencies are increasingly on the rise. But we can and must seize the opportunity Brexit presents to take advantage of new partnerships with some of our oldest allies across the Commonwealth.

The world is ready to sign free trade deals with Britain. Other countries want our voice at the WTO table, they want to work with our people and have better links with our industries.

Together, the 53 member states of the Commonwealth have the unique ability to be able to lead the defence of free trade, working together to shape new policies and approaches, showing the world a route to prosperity that lies through partnership, not protectionism.

The Commonwealth is one of the UK's largest trading partners and our trading relationship was worth over £100 billion in the twelve months to March 2019.

The UK currently trades with the majority of Commonwealth members on preferential terms, providing UK businesses with easy access to some of the world's largest markets.

The 53 member states in the Commonwealth boast a combined population of over 2.4 billion people and intra-Commonwealth trade is projected to reach \$700 billion by next year.

Thursday's meeting will be chaired by the UK and discussion will focus on strengthening multilateral trade, fighting protectionism, as well as the need to make trade more inclusive and sustainable, by engaging women and youth at all levels.

Ms Truss also announced an additional £2.5 million of funding for the Commonwealth Standards Network (CSN). The CSN works to increase use of international standards across the Commonwealth, in order to promote inclusive intra-Commonwealth trade. The additional funding will help the CSN continue its valuable work to break down non-tariff barriers to trade and support institutions and exporters in developing countries to use standards, so they can access new markets and attract investment.

**International Development Secretary, Alok Sharma said:**

UK aid is vital in reducing barriers to trade and investment across the Commonwealth.

Our work is helping developing countries to adopt international standards, attract inward investment that will see them become economically self-sustaining and, ultimately, our trading partners of the future.

The UK has also signed a new trade continuity agreement with the Southern African Customs Union and Mozambique (SACUM). This trade continuity agreement will see British businesses and consumers benefitting from continued trade with SACUM after the UK leaves the European Union.

The agreement will help to further strengthen the trading relationship between the UK and SACUM nations, which was worth £9.7 billion last year.

**Background:**

- Total UK exports to Commonwealth nations was worth £57 billion last year.
- The UK-SACUM agreement will eliminate tariffs on all goods imported from Botswana, Eswatini, Lesotho, Mozambique and Namibia into the UK, as well as on products covering around 96% of goods imported from South Africa.
- The agreement was signed by the UK, Botswana, Namibia, Eswatini, Lesotho and Mozambique on Wednesday 9 October 2019. South Africa are expected to sign the agreement shortly.
- A Memorandum of Understanding has also been signed to enable continued market access in the event that the UK leaves the EU without a deal on 31 October 2019, pending ratification of the agreement.

**International Trade Secretary Address to Commonwealth Trade Ministers Reception**

Welcome to Lancaster House for the sixth Commonwealth Trade ministers meeting.

I am delighted to welcome everybody here to London.

Nothing is more exciting than what we are doing here tonight, and what we will be doing tomorrow in our trade ministers meeting.

We are talking about the future prosperity for our nations and we are talking about how we can help all the people in our countries become more successful and better off, and alleviate the challenges we face.

After 45 years of being in the European Union, we as the United Kingdom are now setting our own path.

We are going to have our own independent trade policy for the first time, we will be able to strike new free trade deals with nations across the world and we are going to take up our independent seat at the World Trade Organization (WTO).

I know for 45 years at the WTO some people have been wondering where we were, but I want to reassure you Britain is back.

One of our biggest opportunities is a deeper relationship with some of our old friends and I don't think there are better friends than the people here in this room tonight.

The Commonwealth has a collective GDP of \$10 trillion, it represents one-third of the world's population and it represents half of the globe's top emerging cities.

I was looking at these cities and I realised I had only been to five of them, so you better watch out Nairobi, Bangalore, Calcutta, Chennai and Dhaka because I will be coming very soon.

As Chair in Office for the next six months, I think we have a real opportunity to drive an ambitious agenda. First of all, for more trade between our nations, secondly for working together as a fighting force to champion multilateralism and free trade and finally to advance areas like e-commerce and digital trade.

The fact is that trade between our nations is already worth half a trillion dollars. Whether it is lamb from Wales, wines from New Zealand, Australia, South Africa, Coffee from Kenya or Canadian maple syrup.

There are all types of fantastic products across the Commonwealth, Jamaica and Trinidad and Tobago, with their thriving chemicals industry.

The fact is that the Commonwealth grows the food that is on tables across the world. We design the clothes that appear on the catwalks in London, New York and Milan and we build the planes, trains and automobiles that mean we can travel where we want, when we want, whenever we want to. As trade ministers we know we have to do that all the time.

So I'm delighted that today before this event we have signed a new trade continuity agreement with the Southern African Customs Union and Mozambique, this will take the UK to the position that we have now protected £100 billion worth of continuity trade. This also means our hard working team at the Department for International Trade have pretty much conducted more trade negotiations than any other team at any point in history.

I am incredibly proud of our Commonwealth, our shared values of democracy, the rule of law and the belief in the power of free enterprise as a global force for good.

But the reality is that we do face growing tensions across the world, we do face tariff tit-for-tat. My belief that increased protectionism enables and overzealous regulation, stifles enterprise and it harms consumers. For example, the good people of America may now need to pay extra for a glass of Whiskey on current proposed tariffs.

The way to solve this is to de-escalate because trade wars benefit no one and I see the Commonwealth as a fighting force against protectionism at the World Trade Organization.

Together, the 53 member states of the Commonwealth have the unique ability to be able to lead the defence of free trade, working together to shape new policies and approaches, showing the world a route to prosperity that lies through partnership, rather than protectionism.

In that vein, I am delighted to announce £2.5 million worth of funding for the Commonwealth Standards Network, which will increase the use of international standards and will help break down non-tariff barriers that affect our enterprises.

But we are also future-facing and forward-leaning and we need to make trade fit for the 21st century. As I said this morning in Geneva, the WTO does need to reform for a new era. I believe the Commonwealth can play a leadership role in this, as we cover so much of the world's trade, we have a fantastic group of countries in our organisation.

One of the topics in discussion at the WTO was generation Z, how are we going to support the next generation to succeed in trade and the fact is right across the world, more of the next generation want to start their own businesses rather than be employees. We need to talk about how we can support SME's to be able to trade with other countries- this is incredibly important.

But also areas such as digital trade, we are leading the world and tomorrow we are going to be talking about our connectivity action plan and digital transformation.

Thank you so much for coming here and thank you so much for participating in tomorrow's meeting, thanks for all the work officials have done already.

This is a really important time for world trade and it is also a really important time for the UK as we leave the EU on the 31 October. This is an opportunity for us to really realise our potential in every corner of the UK. It's an opportunity for us to build deeper, stronger relationships with some of our oldest friends and new partners but also to modernise trade and to make sure all our countries are getting the maximum benefits whether they work for a small or big business. I really believe it is an opportunity for us to work together at the WTO to promote free trade and to fight protectionism.

We have ambitious plans for our remaining time as chair in office and I'm looking forward to working with all of you to achieve great things over the next few months.

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## **British Embassy delegation urges approval of UK-Honduras trade Agreement**

The British Embassy's Deputy Head of Mission and the Trade and Prosperity Officer paid a two-day visit to Tegucigalpa to meet with Officials from the Ministry of Labour, the Board of Directors of the Honduran National Congress, representatives of the private sector (COHEP), and other partner organizations working in Honduras to improve the business climate.

The delegation stressed that the new treaty replicates the existing European Union – Central America Association Agreement, and will ensure that trade between the UK and Central America continues uninterrupted when the UK ceases to be a member of the EU on 31 October. The Agreement was signed by all countries, including Honduras, on July 18.

In 2018, Honduras exported goods and services to the UK worth US\$161 million mostly composed of coffee, fisheries, fruits, vegetables and apparel products. The main imports from the UK consisted of industrial products, machinery, vehicles and spiritual beverages worth US\$4 million. The Agreement also provides a framework for cooperation and development through political dialogue, increased economic ties and our work on important issues like the environment and human rights.

Barbara Amono-Oceng, Deputy Head of Mission for the British Embassy to Honduras, said:

We look forward to the approval of the Agreement, as it will help to build our political and economic ties with exporters and consumers and give them the certainty they need to continue trading freely and with confidence.

The British Embassy in Guatemala is concurrent to Honduras and we pay regular visits to the country to strengthen our economic, political and cultural ties.

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## **PM meeting with Business Council co-chairs: 9 October 2019**

The Prime Minister met with the co-chairs of the five Business Councils at Downing Street this afternoon. The Business Secretary, Andrea Leadsom, also joined the meeting.

The Prime Minister thanked all the co-chairs for the policy initiatives they have put forward on issues affecting the UK business environment and competitiveness, and emphasised that he wants the UK to be the best place to start, grow and run a business.

Many of the councils' initiatives have been progressed as part of the Prime Minister's key priorities for post-Brexit Britain, including a new Trans-Pennine rail route between Manchester and Leeds to boost regional growth, a new immigration visa to enable international students to work in the UK for two-years after graduation, and a £5bn gigabit broadband boost.

The Prime Minister set out ongoing work in Whitehall to take forward ideas from the councils, from measures to boost research and development to support for tech entrepreneurs.

On Brexit, the Prime Minister reiterated that we want the UK to leave the EU with a deal when we depart on 31 October. The Business Secretary urged the co-chairs to support small businesses and those in their supply chain to get ready for Brexit at the end of the month.

They agreed to continue to drive progress on the recommendations from the councils across government in the upcoming months.

Co-chairs in attendance

- Sir Ian Davis, Chairman, Rolls Royce
- Sir Roger Carr, Chairman, BAE Systems
- Jan Du Plessis, BT Group
- Dave Lewis, CEO, Tesco
- Emma Walmsley, CEO, GlaxoSmithKline
- Baroness Shriti Vadera, Chair, Santander UK
- Emma Jones, Founder, Enterprise Nation
- Brent Hoberman, Chairman, Founders' Factory

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## **Banks pledge their support to SMEs**

# through Brexit and beyond in new Charter

- Banks and lenders make concrete pledges to continue supporting British businesses seeking finance to get ahead
- pledges include that banks are 'open for business and ready to lend'
- commitment comes following first meeting of the new Business Finance Council, made up of government, lenders and business representative organisations

In a new [SME Finance Charter](#) published today (Wednesday 9 October), Britain's top banks and others reaffirmed their commitment to back British business through access to finance, helping SMEs plan for the future ahead of Brexit on 31 October and beyond.

The Charter was adopted at the first meeting of the new [Business Finance Council](#), co-chaired by Business Secretary Andrea Leadsom and Economic Secretary to the Treasury John Glen today. The Council was attended by representatives from Britain's leading banks, alternative lenders and representatives from the British Chambers of Commerce and the Federation of Small Businesses.

The SME Finance Charter is made up of 5 overarching pledges that provide a framework for lenders to set out their own individual commitments to SMEs in the coming weeks. In order to become signatories to the Charter, each lender will need to demonstrate what specific actions they are taking to deliver on the pledges.

Business Secretary Andrea Leadsom said:

I have met many businesses since my appointment as Business Secretary and access to finance is a common cause of concern. We want to see the banks and lenders back our small and medium sized businesses, and this commitment is the first step in giving them the confidence they need to invest and grow.

Finance is available, and I would urge SMEs to talk to their providers and get the advice they need to scale up on a truly global stage ahead of us leaving the EU and into the future.

The 5 pledges made by finance providers through the SME Finance Charter include:

- confirming they are 'open for business and ready to lend' which includes specific funds they have set up for SME lending
- helping SMEs to prepare for Brexit and beyond by setting out the resources that they can provide

- providing clear and accessible information for SMEs seeking finance, including expectations around the management of accounts, cashflow projections and security, explaining options if initial applications are declined
- treating all customers fairly, explaining how they will resolve any disputes that may occur
- working with the government-owned British Business Bank to signpost their guidance and to help businesses secure a loan or overdraft even if they lack the security for the borrowing, giving SMEs the ability to invest and expand

These 5 areas were identified by the Council as significant to ensure that the SME finance market works effectively and coupled with the cross-sector backing for the Charter secured today, demonstrates the attention and support that the UK gives to its SMEs.

Small Business Minister Kelly Tolhurst said:

As a former small business owner, I understand the challenges involved in securing finance. The banks have said that they are open for business and ready to lend, with today's Charter underlining that commitment, something that should be a great encouragement to our fantastic British SMEs.

The Economic Secretary to the Treasury, John Glen, said:

I want to see our small and medium-sized businesses seize the opportunities of Brexit – expanding, creating jobs and boosting our economy.

Today's Charter shows that lenders are backing businesses and stand ready to provide advice, guidance and financial support to help them prosper. I will continue to work closely with lenders and business representatives to ensure our SMEs have everything they need as we get ready to leave the EU.

UK Finance CEO Stephen Jones said:

The SME Finance Charter reiterates the banking and finance industry's commitment to support SME customers throughout the UK's departure from the EU and beyond.

Banks and lenders stand ready to support viable businesses whatever the outcome, and continue to provide guidance to help smaller firms plan for the opportunities and challenges ahead.

Through our Let's Talk Business campaign, we are encouraging all businesses to contact their finance providers now to discuss how



best to prepare and consider any additional financing needs.

The Council will continue work to identify and address any barriers faced by small and mid-sized businesses on an ongoing basis, with a focus on securing finance and getting ready for Brexit on 31 October. The Council membership is made up of major lenders and alternative finance providers, as well as ministers, UK Finance and the Finance and Leasing Association, the British Business Bank and business representative organisations.

The secretariat for the [Council](#) is provided by the Department for Business, Energy and Industrial Strategy, HM Treasury and UK Finance, ensuring that British business gets the support it deserves across government and the financial sector.

The full list of signatories to the Charter, together with links to their individual statements, will be published on the [Charter page](#). The need for the Business Finance Council will be reviewed after 6 months.

£1.3 billion is available to lenders through the government-owned [British Business Bank](#) so they can enable their SME customers to invest in capital, increase export capabilities and manage cashflow: £300 million headroom available this financial year through the [Enterprise Finance Guarantee](#) which helps viable smaller businesses that lack sufficient security against which to borrow; and £1 billion available over the longer term under the ENABLE Guarantee, which helps reduce the amount of regulatory capital lenders need to hold against loans to small businesses. The British Business Bank is already supporting over £6.6 billion of finance to almost 90,000 SMEs.

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## [First Joint VMD, VPC and Pharmaceutical Industry Information Event 2019](#)

The VMD hosted a very successful stakeholder open meeting which this year was combined with the Veterinary Products Committee (VPC) and the pharmaceutical industry information event. The day brought together a wide range of stakeholders from the pharmaceutical Industry, VPC members, wholesalers, consultants, the charity sector and the media.

Over 70 people attended the event which was opened by Professor Pete Borriello (CEO) and Abi Seager (Director of Authorisations) to hear the latest information about:

- the work of the VPC from its chair – Malcolm Bennett
- the VMD's international work

- antimicrobial resistance
- animal use in Quality Control testing of Immunological Veterinary Medicinal Products
- the VMD's joint inspections with the Medicines and Healthcare products Regulatory Agency
- Brexit's implications for the supply and regulation of veterinary medicines
- the relevance of European regulations

David Catlow – a VMD Non-Executive Director and Clinical Director of the Blue Cross – gave a keynote speech on 'Opportunity in a Changing Landscape' highlighting the VMD's excellent work to ensure continued effective medicines regulation after Brexit.

There were two new elements to the event. Over lunch attendees enjoyed displays and demonstrations from the VMD teams on:

- VMD's Digital Services
- Adverse Event reporting
- Brexit readiness
- Special Imports
- Enforcement
- Communications

There was also a drop-in 'Ask an Assessor' area where scientific assessors were on hand to answer questions about any aspect of the safety, quality and efficacy assessment processes for marketing authorisations applications for veterinary medicines.

The VMD has already received very positive feedback on the event, in particular its innovative format and content.

The event is part of the VMD's ongoing work to engage with its stakeholders on medicines regulation.

Copies of the PowerPoint Presentation slides from the event are available on request from [postmaster@vmd.gov.uk](mailto:postmaster@vmd.gov.uk)