

Speech: PM Business Forum speech in Shanghai: 2 February 2018

Thank you very much, Jack, and good morning everyone. And let me just say it's a pleasure to see so many Chinese and British business leaders sitting side by side here today. I think it's a very real expression of the golden era of relations between our countries.

I've talked a lot with my Chinese counterparts about this growing partnership between our two countries, but it's important to recognise that it isn't just about governments. It's about businesses. About people. About bringing the UK and China closer together so that we can all share in the benefits of growth.

We meet today at a crucial time in the history and future of both our countries. Last year, at Davos, President Xi set out the case for globalisation and committed to a more open Chinese economy – a vision the UK is keen to help you bring to life.

Meanwhile, the UK is preparing to leave the European Union. We're seizing the opportunity to become an ever-more outward-looking Global Britain, deepening our trade relations with nations around the world – including China.

Now this is my first time in Shanghai. On this side of the Huangpu, the eclectic old buildings speak to us of China's history. On the opposite bank, the towering skyscrapers of Pudong say much about its future.

More than that, the Bund itself is testament to the deep historical roots of the UK's trading links with China. The very building we meet in today started life as the home of a British ship-builder, the historic lifeblood of global trade. The Custom House clock, the international symbol of Shanghai, was made in Shropshire; its bells were cast in Leicestershire.

And just as the Bund says much about our trading past, the size of the audience today and the breadth of sectors represented, speaks volumes about the strength of our relationship in 2018.

Trade between our nations is worth almost £60 billion and rising. Chinese investment is helping the UK develop infrastructure and create jobs. Nearly 50,000 British businesses import goods from China, while more than 10,000 sell their goods to customers here.

And our businesses are already working closely with one another, real commercial partnerships that bring real benefits. Just look at Astra Zeneca and Alibaba, coming together to build a smart health system in Wuxi so chest patients get vital treatment more quickly.

As I've travelled around China over the last few days, I've seen that we have the potential to do so much more together.

In Wuhan, in Beijing and now here in Shanghai I've been struck by the level

of enthusiasm for British brands, British culture, British goods and British services.

And that's why I am accompanied on this trip by a business delegation representing businesses of every size and shape, representing many different sectors and hailing from every corner of the UK.

Some have long established contacts here in China.

Others are visiting for the very first time.

But all are completely committed to forging lasting relationships with businesses, investors and customers in your country.

This week, they've been finalising deals in sectors as diverse as financial services, education, energy and healthcare. Aston Martin has announced that it will significantly increase its operations in China with a five-year export drive worth £600m, and will have more than 20 showrooms across China.

And yesterday we unveiled a string of commercial deals in the cultural sector, increasing understanding and bringing our people closer together.

And I was particularly pleased to see the Busy Bees nursery group taking its place in the delegation. Late last year I enjoyed a marvellous visit to a nursery in my own constituency. Now they're bringing their 35 years of expertise to Shanghai, with plans for a 230-place international pre-school here.

Now when people think of international trade I'm sure early-years childcare isn't the first thing that springs to mind. But Busy Bees' presence here shows just how diverse the British export offer is, just how much we have to offer in China.

While the business leaders have been negotiating commercial deals, I have been meeting with President Xi and Premier Li and discussing with them the importance of removing barriers to trade between our nations.

We've agreed on moves to bring more of the UK's internationally renowned food and drink to China, to open up the market to some of Britain's world-class financial services providers. And we have agreed a Trade and Investment Review, as a first step towards delivering ambitious future bilateral trade arrangements.

On Wednesday, Premier Li and I attended the inaugural meeting of the UK/China CEO Council.

Created with the full support of both governments, the council brings together 40 chief executives from some of Britain and China's top businesses – many of them here today.

It creates a forum in which ideas and insights can be shared. But it is also a platform from which views, problems and solutions can be communicated to the top levels of government, giving senior business leaders the chance to

help shape the future of the UK's trade and investment relationship with China.

And it's a future that excites me. Not just because of the possibilities for increased trade, impressive though they are. But also because of the possibilities for greater co-operation between our people.

China and the UK both have proud histories of innovation stretching hundreds, even thousands of years. That spirit of invention is still very much alive today, and if we pool our talents further the results could be extraordinary.

The fast-changing world we are in brings many opportunities for businesses in both our countries. And I support a partnership that allows us to exploit those opportunities, bringing together like-minded innovators and entrepreneurs to share knowledge, risk and investment.

For example, as I said in Davos last week, we are establishing the UK as a world leader in Artificial Intelligence, building on the success of companies like Deepmind.

I believe we have only just seen the beginning of what AI can achieve, something I discussed yesterday with President Xi. We agreed that prospects for collaboration in this area are ever-expanding.

But that is not all. In November I launched the UK's modern industrial strategy. We set an ambition for Britain to be the most innovative country in the world. And we are backing that up with £7bn of additional investment in research and development over the coming years.

Then, in December we launched the UK-China Joint Strategy for Science, Technology and Innovation Co-operation. It brings together scientists and innovators to drive sustainable growth and tackle global challenges.

The Strategy's priority for 2018 is agri-tech, and that's one reason why I was pleased to be able to visit the Chinese Academy of Agricultural Sciences in Beijing yesterday, seeing some of this cooperation first hand.

Next month, we're organising the Great Festival of Innovation in Hong Kong and the Bay area. Over four days, the Festival will offer a series of thought-provoking and lively keynotes, masterclasses, showcases, installations and performances involving industry leaders, entrepreneurs, and artists.

With visitors from the UK and right across Asia, the festival will allow entrepreneurs to build partnerships and share the innovations that will drive the future of free trade. I hope that many of you will be able to attend.

One thing that I hope will come from the festival is a higher profile for female innovators. The UK and China together have the capacity to play a huge role in advocating for gender equality. But all too often those good intentions don't lead to positive outcomes, and that's something we should all be working to tackle.

Last year, the UK government signed a memorandum of understanding with the All China Women's Federation, setting out our mutual resolve to improve gender equality. And I know this subject is also close to Jack's heart. In 2015, Alibaba ran a global conference on women and entrepreneurship. And the company itself has a much larger female workforce, and more women on its board, than most international tech companies.

Around the world, young women benefit from seeing that. From seeing role models and trailblazers. Women who have succeeded in their field and shown that progress is possible. And that's why I'm proud to have brought many inspirational women in my business delegation.

Women like Nancy Rothwell, who spoke to you earlier and whose university, Manchester, has excellent links with Wuhan, the first stop on my visit, as well as across China. And women like Heba Bevan, founder and CEO of AI company UtterBerry.

I'm nearing the end of what has been a fascinating and productive few days in China. I've seen our businesses making new alliances and forging new partnerships. I've seen our people learning about the world through education and about each other through culture.

And I've seen that China and the UK are determined to build on our deep and mature ties to promote national and global prosperity throughout the 21st century.

As President Xi, quoting Shakespeare, said to me yesterday, "What's past is prologue." And I wholeheartedly agree. The UK and China are opening a new chapter in our Golden Era.

Thank you.

Press release: PM announces new UK-China creative and cultural collaboration

As China's economy diversifies, and as the country moves from a heavily industrialised to a knowledge-based, innovation-driven economy, there are ambitions for culture and creative industries to reach 5% of China's national GDP by 2020.

The UK is seen as a strong partner for China to achieve its ambitions in this sector, with creative industries the UK's fastest-growing sector, and a major employer of 1 in every 11 in the workforce.

The V&A has recently opened a new gallery in Shenzhen, and the Terracotta Army will arrive in Liverpool for a new major eight-month exhibition next week. It is the first time in more than a decade that the warriors have come to the UK, and the exhibition includes items never previously shown outside of China.

From Shakespeare to Sherlock, from fashion to football, UK soft power is already highly influential in China. In a 2016 British Council survey, 82% of Chinese respondents found the UK attractive – more than any other G20 country.

The Prime Minister's visit will build on this strong foundation and create new opportunities for British businesses in the creative and cultural sector.

The Prime Minister will announce a new agreement between DCMS and China's State Administration of Cultural Heritage for a three-year programme of activity to develop UK-China cooperation in the field of cultural heritage.

The UK has world-leading expertise in heritage preservation, and this new agreement will create significant opportunities for British businesses. The Prime Minister will also welcome a string of commercial deals in the creative sector, with a potential worth of almost £300 million, including:

- plans for a Serpentine Pavilion in Beijing to open in May 2018, modelled on the Serpentine Gallery in Kensington Palace Gardens. It will be the first Pavilion co-commissioned and built by the Serpentine outside the UK
- the announcement that ITV Studios Global Entertainment has agreed a deal with Chinese company Bilibili for the latest series of international hit Poldark, sold in to over 150 countries globally, and all four series of Mr Selfridge, the story behind the founder of London's famous department store
- the announcement that Zycon Media (UK) and DeZerlin Media (China) have reached an agreement to co-produce 10 animated feature films for the global market, each with a subsequent animated television series. The combined deal will employ hundreds of artists, technicians, and performers over the next 8 years
- the announcement that UK company Silvergate Media and Chinese company CCTV Animation will jointly produce the fifth season of the award-winning British children's animation Octonauts. The new British-Chinese co-production will be broadcast globally, including by the BBC in the UK and by CCTV in China. A further two seasons are planned
- the announcement that Merlin Entertainments Plc will develop two new Merlin brands to China – a Dungeon in Shanghai, and a Little BIG City attraction in Beijing, as well as further investment planned for 2019 in Beijing with the opening of China's third LEGOLAND Discovery Center
- confirmation that the Eden Project International and China Jinmao Holdings Limited will create an iconic tourism and education centre in the city of Qingdao, focussed on the theme of water. The project is due to open in 2020. The Eden project is also announcing that it will undertake pre-planning and early feasibility consultancy work for a project in Jizhou (near the city of Tianjin) in a former limestone mine

with the ultimate aim of regenerating the landscape and surrounding area. Together these projects are expected to generate 130 jobs in the UK

The Prime Minister said:

Both the UK and China have rich and distinctive cultures of which we are rightly proud. Today's agreements mean we will work even more closely together, collaborating on film festivals, theme parks, architecture, history and much more.

These deals underline the strength of the UK's creative industries and will generate hundreds of millions of pounds of investment, creating opportunities across the UK.

By sharing our history and culture we will also deepen the strong ties between our two peoples.

Matt Hancock, Secretary of State for Digital, Culture, Media and Sport, said:

We are in a golden era for UK-China relations. Our cultural collaboration is yielding fantastic results for British businesses, and the expertise of our creative industries is helping China to realise its own ambitions.

Our creative industries are fundamental to how Britain is seen across the world and this growing cultural partnership with China will help boost trade, jobs and investment.

[News story: Government doubles trainee funding in SMarT move to boost UK maritime sector](#)

More than 400 extra cadets will be trained in maritime roles every year thanks to a £15 million funding boost announced by Maritime Minister Nusrat Ghani today (2 February 2018).

The investment, which will double the support for young people to £30 million a year, will be offered through [Support for Maritime Training](#) (SMarT), enabling the annual intake of cadets to rise from 750 to 1,200.

Multinational shipping companies, including Carnival UK, BP, Shell, Maersk

and Stena Line, have also pledged to create an extra 450 training positions on board ships.

These positions will give SMarT cadets the experience at sea that will help them gain internationally recognised qualifications, setting them in good stead for future careers both within and outside the sector.

This commitment comes shortly after the launch of the [Year of Engineering](#), a campaign to show young people from all backgrounds the variety and opportunities an engineering career can bring.

Maritime Minister Nusrat Ghani said:

We are building the maritime workforce of tomorrow and I want to encourage more young people to consider an exciting and rewarding career at sea.

By doubling the funding for cadet training, we will help make sure that our engineers and captains of the future can access the right opportunities to reach their full potential.

It will also strengthen the UK maritime sector's position as a world leader and ensure people have the skills they need to help the industry flourish after we leave the EU.

[SMarT Plus Final](#)

Shipping and ports are critical to supplying the UK's daily needs, with around 95% of imports and exports coming by sea, including 40% of our food and at least a quarter of our energy.

By supporting young people wanting to get into maritime, we will boost a growing sector, ensuring that the UK remains the first port of call for shipping companies seeking highly skilled officers.

UK Chamber of Shipping Chief Executive Guy Platten said:

Nothing will prove that the UK is open for business quite like seeing more British seafarers arrive in the world's ports. We already recruit people from all backgrounds and all corners of the country, and with this new investment we will be able to create thousands of new opportunities in the years ahead.

The taxpayer sees a £5 return on every £1 it invests in seafarer training, so this funding will see the economy and the workforce, as well as the industry better off.

Seafarers are highly skilled and well paid, and have the opportunity to build a successful long-term career. We know this funding will help us to unlock the talents of more young people,

and it goes to show what can be achieved when government and industry work together.

The training places are open to anyone across the UK who has an interest in becoming a navigation officer, engineer or an electro-technical officer.

Places will be available at training colleges including Warsash Maritime Academy in Southampton, City of Glasgow College, Lairside Maritime Centre in Liverpool and the South Shields Marine School.

Emma Jordan, 27, is taking a foundation degree in marine engineering at Warsash Maritime Academy. She said:

I was a motorbike mechanic before but I discovered a more challenging role with BP Maritime Services. I'd really like to be a chief engineer and the guys on board are really good as they're really interested in your training because if they do it right then you're going to be useful.

The funding will increase annually over 7 years to fulfill demand for seafarer training.

The maritime industry has a crucial role to play in inspiring the next generation of engineers throughout 2018. The government's Year of Engineering is being supported by organisations from across the industry, including the Royal Navy, UK Nest, Seafarers UK, the Maritime and Coastguard Agency, Land Rover BAR and Associated British Ports.

Press release: Penny Mordaunt: The UK is tackling the 'global learning crisis' to empower the next generation

At a time when half the world's children leave primary school unable to read or write, International Development Secretary Penny Mordaunt will announce today (Friday 2 February) that the UK is stepping up its work to tackle this "terrible waste of potential" as she attends a global education conference jointly hosted by France's President Macron and Senegal's President Sall.

Over the next decade a billion more young people will enter the job market across the world – but 387 million children globally are set to leave school without the basic skills needed to get on in life because teachers aren't well-prepared for their roles, and struggle to access the support or resources they need.

In Dakar, Ms Mordaunt will announce the UK's commitment to the Global Partnership for Education (GPE) – and will set out how it is conditional on countries' governments reforming their own education systems.

By encouraging radical improvements to education systems, the UK is supporting young people to get good jobs, and contribute to the future stability and prosperity of developing countries, so they can become our partners of the future. It's also reducing the risk young people are forced to turn to crime or to search for a better life outside their own country – which directly impacts the UK.

The UK's support for GPE over the next three years will work mostly across Sub-Saharan Africa and south Asia to:

- keep 880,000 children in school each year for three years – over half of whom will be in fragile or conflict affected states;
- train 170,000 teachers;
- build 2400 new classrooms; and
- distribute more than 20 million new textbooks.

This follows the UK-France Summit last month, when Prime Minister Theresa May and President Macron named 2018 the Global Year of Learning. This year-long partnership will see the UK and France working together, calling on donor countries and partners to step up to tackle the 'global learning crisis'.

International Development Secretary Penny Mordaunt said:

It's a terrible waste of potential that half the world's children leave primary school unable to read or write because the quality of teaching is so poor.

We need an education revolution, but to succeed in tackling this global learning crisis, we will not just need to be open-hearted – we need to be hard-headed too.

The UK will lead the way by supporting countries' governments to fundamentally overhaul their education systems to make sure they can ultimately step up and provide a good education for their own people.

All children deserve a decent education to make the most of their talents and to help lift themselves and their countries out of poverty – building a more prosperous and more stable future for us all.

Ms Mordaunt will say that the UK is focused on helping developing countries drive up standards in their education systems and ultimately take responsibility for investing in their own people, rather than depend on aid.

Although huge progress has been made in recent years improving access to education with 89% of children now in school, many teachers aren't properly

equipped to teach basic knowledge and vital skills.

UK aid has led the way, supporting 11.3 million of the world's poorest children in primary and lower-secondary school between 2011 and 2015.

Under the Secretary of State's new commitment to education, the UK's Department for International Development (DFID) is:

- working in partnership with countries to build inclusive education systems that will get children learning, so that governments can ultimately be responsible for providing education for their own people;
- sharing its world-class expertise and developing new technologies like mobile registration to make sure teachers are properly trained and motivated to provide a quality education to their students; and
- bringing education to the hardest-to-reach children, so that marginalised girls, those with disabilities and children affected by conflict are not left behind.

As set out by Prime Minister Theresa May and President Macron at the UK-France Summit, the UK is increasing its partnership with the French tackling serious threats and maximising opportunities in the Sahel region of Africa.

During her visit the Secretary of State will visit a school and a family planning clinic in Dakar, to see how the UK is helping Senegal serve its rapidly growing population, and stimulate economic growth which is creating jobs and future prosperity across the country.

Notes to Editors

- The International Development Secretary will today pledge £225 million to the Global Partnership for Education. This represents an almost 50% increase compared to our current annual contribution and maintains the UK's position as the one of the largest country donors to the fund. As previously, we will cap our final contribution at 15% of the total replenishment amount.
- One third of DFID's pledge will be conditional on GPE reorganising to focus on key improvements – such as making sure education systems are making better plans for teaching provision, improving methods for testing students' progress, and making more grants conditional on countries raising teaching standards.
- As DFID's multilateral reform agenda sets out, it is crucial that organisations such as GPE are accountable for achieving a real impact in the countries where they work.
- The Secretary of State's new commitment to tackling the global learning crisis is set out in DFID's 2018 Education policy, published today (Friday, 2 February) on gov.uk .
- Teaching quality is the single biggest factor in getting children learning – but in many African countries, the majority of primary teachers do not have the minimum levels of literacy or the teaching skills they need to teach their classes.
- As a result, globally, 56% (387 million) of children are not on track to read well or do basic maths by the end of primary school. In low income

countries, almost 90 percent of children will not learn even basic skills in literacy and numeracy.

- 69 million teachers will need to be recruited by 2030 – that’s more than the current entire population of the UK. It’s vital to make sure these teachers are properly trained and equipped to provide a quality education.
- Huge inequalities persist in global education – 63 million girls aren’t in school, children with disabilities struggle to access any useful education, and children affected by conflict and crises all too often miss vital schooling.
- DFID is acknowledged as a global leader on education. Between 2012–2015, the UK spent an annual average of £966 million per year on education. Between 2015-2017 DFID supported 7.1 million children to gain a decent education. This included at least 3.3 million girls.

Example

Revolutionising Ghana’s education system

The Government of Ghana is working with GPE and DFID to drive up quality of education in the poorest rural communities, including improving teacher quality and attendance. Over the past two decades, Ghana has seen dramatic increases in school enrolment and in the quality of basic education as well as in getting more children into school.

Thanks to extra teacher training through T-TEL (Transforming Teacher Education and Learning), Irene has massively improved her method of teaching, delivers engaging lessons and is an inspiration to her students. She also makes sure girls and boys participate equally in all her lessons. She’s now sharing these methods with other teachers at her school and carries out regular evaluation and training.

Because of improvements in Ghana’s education system, Ruhainatu is getting the quality education she needs to achieve her ambition of being a nurse, so that she can return to help her community which was once devastated by cholera.

- Irene’s story (T-TEL): <https://www.youtube.com/watch?v=22At-HUFx1E>
- Ruhainatu’s story: https://www.youtube.com/watch?v=qBA3X7NQDNM&list=PLANYXGuWdpB9DXouinf6jsmxr_wqvghe&index=13
- GPE in Ghana: https://www.youtube.com/watch?v=X39v_sFNETo
- GPE Images: <https://www.flickr.com/photos/gpforeducation/sets/72157633304867054>

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News story: Defence Secretary discusses threats with US counterpart

The Defence Secretary Gavin Williamson and his US counterpart, Jim Mattis, have been discussing how to tackle the increasing threats faced by both allies. Crown copyright.

Both countries have recently unveiled new plans for improving security, following the UK's announcement of the Modernising Defence Programme and the US publication of its National Defense Strategy.

The two programmes are closely aligned in their thinking, with a strong emphasis on modernising forces to tackle the increasing shared threats faced on several fronts, while strengthening international alliances and forging new ones.

In his first visit to Washington DC as Defence Secretary, Gavin Williamson said:

Our two countries face the same threats in an increasingly dangerous world. We stand shoulder to shoulder on the battlefield, we share vital intelligence and technology, and our century-long relationship is the closest of any two allies across the globe. Together, we will always keep the streets of the UK and the US safe, protect our citizens, and defend our way of life.

The Defence Secretary Gavin Williamson and his US counterpart, Jim Mattis, have been discussing how to tackle the increasing threats faced by both allies. Crown copyright.

Current threats to prosperity and safety, including Russia, North Korea and the ongoing fight against Daesh, were high on the agenda during a meeting at the Pentagon that reinforced the UK's position as the US's defence partner of choice.

NATO remains the cornerstone of UK and US defence and ahead of the NATO Summit in July, both countries have been calling for other nations to invest more in security. The US and UK are the two largest contributors to NATO, and among just six countries pledging at least 2% of their GDP to defence.

The UK's defence trade partnership with the US is worth \$3billion, including collaboration on several key projects such as the F-35 programme, Unmanned Air Systems and a Common Missile Compartment for UK-US Ballistic Missile Submarines.

An even closer bond is expected after Brexit, as the UK pursues new relationships and trade deals outside of Europe, which the Secretary of State

emphasised when he visited the British-American Business Association during his visit.

The Defence Secretary Gavin Williamson and his US counterpart, Jim Mattis, have been discussing how to tackle the increasing threats faced by both allies. Crown copyright.