

Speech: Mark Garnier speech to the British Chamber of Commerce in Mexico

I would like to thank the British Chamber of Commerce in Mexico for inviting me here to speak, and congratulate them on fostering closer commercial ties between the UK and Mexico for over 95 years.

My first visit to Mexico as a Minister at the Department for International Trade couldn't have come at a more important time.

Global trade – the very thing that has driven out poverty and ushered in prosperity for millions across the world; that has seen the flow of technology, talent and ideas across borders; and that has sustained our public services – is experiencing an unprecedented slowdown in growth.

The WTO has warned that, for the first time, protectionist measures are being instigated at a faster rate than they are being removed.

Free trade needs champions now more than ever.

So my message to you all today is simple. The UK, with the help of partners such as Mexico, will be the most passionate advocate for global free trade anywhere in the world.

I want to outline three areas we will focus on to make that aim a reality.

Firstly, I want the UK and Mexico to build on our history of co-operation: not just across trade, but across diplomacy and culture too.

Second, we will build a Global Britain, which will retain the closest possible relations with our European friends, but also revive and strengthen relations further afield.

And finally, we will keep Britain open for business, maintaining and promoting our world leading business environment.

Let me begin by talking about our bilateral relations.

Diplomatically, we have never been stronger.

2015 was a 'Dual Year' for our 2 countries – which saw an unprecedented level of collaboration around the arts, science and innovation, tourism and trade – not to mention a state visit to the UK by your President.

It was a reminder that although thousands of miles apart, our 2 countries remain like-minded long term strategic partners on global issues.

More recently, the UK Prime Minister met President Peña Nieto in September at the G20 and in November, my colleague Lord Price had positive discussions with both Secretary Guajardo and Deputy Foreign Minister Carlos de Icaza,

whom I also met last month.

But this level of co-operation should not surprise anyone.

When Mexico gained its independence in the 19th Century, Britain was the first major European Power to recognise its sovereignty.

During World War 2, Mexico was one of only 2 Latin American countries to send troops to Europe to fight alongside allied forces.

And I hear you can even buy Cornish pasties in Real del Monte, a legacy of the British miners who arrived from Falmouth in 1825.

Our shared history will serve as the building blocks for an exciting shared future.

I hope it is a future dominated by trade; but, when I currently look at our bilateral trading relationship, 2 words spring to mind: 'untapped potential'.

Although our bilateral trade has doubled since 2010, Mexico is the 30th largest market for UK goods exports, whereas the UK represents only around 1% of Mexico's total trade.

These are disappointing figures and indicate much room for improvement. This is the challenge that my Department's team here will look to meet and overcome.

There is plenty of opportunity. Mexico boasts a trillion dollar economy: set to become the world's fifth largest by 2060, fuelled by a young and dynamic workforce.

As Mexico opens up the domestic energy markets – particularly in sub-sea technology – UK firms are standing ready to support.

BP and Premier Oil were amongst the winners of the first auction for deep water oil exploration and production in the Mexican Gulf.

I am delighted that a recent memorandum of understanding signed between Pemex and UK Export Finance will establish a \$1 billion line of credit for UK firms, to ensure we keep collaborating in this important sector.

In infrastructure, UK firms have been integral in the planning and designing of a new airport right here in Mexico City.

And in the development of Mexico's automotive industry and defence sector – the UK, as one of the largest car exporters in the Europe and third largest defence exporter in the world, will be on hand to support Mexico's growth.

There is ability and will on both sides to fulfil this untapped economic potential.

My second point is around the UK's place in the world, following the EU referendum.

Britain now has an opportunity to strike trading relationships with global partners.

We will be champions of free trade, driving forward an agenda that will work towards the freest possible trading relationship around the world, and we will continue to support the international rules based system on which this rests.

This is not Britain turning its back on the world, as some have said; in fact, the opposite is true.

This is a Global Britain recasting its place in the world as the most passionate advocate for free trade.

Britain also isn't turning our backs on Europe. We want to be the closest friend to our European neighbours – establishing a comprehensive trading agreement, which is as frictionless as possible; as well as maintaining our strong defence, security and cultural ties.

We want the EU to be successful; it is in Britain's national interest.

And while we remain a member, we will play our part in pushing for an ambitious modernisation of the EU's Global Agreement with Mexico.

But there is a world of opportunity out there; even according to the EU Commission, 90% of future global growth will happen outside Europe's borders. Global Britain will have the confidence to seize this opportunity.

We are already making progress.

We are conducting trade audits and have established working groups with a number of countries to see how we can remove barriers to trade and investment to our mutual benefit.

Continuity will be the cornerstone of our future negotiations.

The European Union currently has around 40 free trade agreements with roughly 55 countries around the world. We intend to open discussions so that, at the point that we leave the EU, these will quickly be adopted as UK agreements.

Ensuring that there is no disruption of our free trade with Mexico, or any other partner, is a top priority for my Department.

We will also seek, as far as possible, to replicate the EU trading schedules as we take our independent seat in the WTO, maintaining current tariff levels with a view to seeking further liberalisation over time.

I know Mexico and the UK share the same belief that trade can create a tide which can lift all boats; that the surest way to greater prosperity lies in fewer barriers to trade.

Mexico's 12 FTAs spanning 46 countries symbolises this internationalist outlook.

Turning to my final point, I would like to reiterate that far from undermining our business credentials, Brexit will embolden the UK to become the most attractive place from which to do business.

In the last 5 years there has been an increase in Mexican companies investing abroad, including the UK.

CEMEX provides concrete for British infrastructure; Russell Roof ensures that thousands of Britons literally have a roof over their heads, and Mexichem supply most of the world's inhalers from their Runcorn factory in the North West of England.

These are just some of the Mexican investments already in the UK – and we welcome more.

And I can confirm that despite the short term uncertainty posed by Brexit, global investors continue to see tremendous potential and opportunity in the UK.

£16 billion worth of investment has come into the UK since last June.

These investors are attracted by the UK's unique economic fundamentals, which will not change, regardless of our future relationship with the EU.

Some of these were recognised in EY's 2016 Attractiveness Survey – which also noted that our political, legal and regulatory stability underpins the confidence and trust that so many global investors continue to have in the UK.

Our outstanding universities – of which 3 are in the worlds' top 10 – are hotbeds of research and development and fuel a highly skilled workforce.

In every area of the economy, we are asking ourselves how we can create an environment that will allow business to flourish.

That will always be our approach.

It's an approach that has underpinned our new Industrial Strategy, which will bring together industry and universities to ensure Britain remains the location of choice for many sectors.

This is why the UK continues to be the highest ranked major economy on the World Bank's ease of doing business index and why we repeatedly rank as the number 1 location for Foreign Direct Investment in Europe. This is in addition to resilience of the UK economy, which, after the referendum, has surprised many.

Growth forecasts are being revised upwards; manufacturing activity is at a 2 and a half year high; and PWC recently predicted that the UK could have the fastest growing economy in the G7 for the next 3 decades.

So despite the uncertainty over the next few years, one thing is certain. Britain is well and truly open for business. But, like in business, success

is determined not just on economic fundamentals, but also on one's ability to build partnerships.

In Mexico, the UK has, as its partner, one of the most exciting and dynamic economies in the world. Over the coming years, I want to see British and Mexican businesses harness our shared history; our shared internationalist spirit; and our shared commitment to free trade to reduce economic barriers where we see them, and seize the economic opportunities of the wider world together.

Thank you.

[News story: Defence Secretary to attend NATO meeting of Defence Ministers](#)

From:

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Deputy UK Ambassador to NATO, Paul Johnston, announces that Defence Secretary, Michael Fallon, will meet new US Defence Secretary Mattis at NATO Defence Ministerial

This week's NATO Defence Ministerial is the first of the year and the first chance for Allies, including our Defence Secretary Michael Fallon, to meet collectively with the new US Defence Secretary Mattis.

Secretary Mattis knows NATO well from his time as Supreme Allied Commander for Transformation, a post he took up 10 years ago. But the security environment facing NATO has itself been transformed in the intervening decade. So this week's meeting is a chance for the 28 Allies to take stock on the challenges and opportunities we face, to the East and South of the Alliance, to reinforce the transatlantic bond and to affirm our commitment to deepening that link and our wider Allied engagement.

For the UK therefore, our priorities will be two-fold:

- to ensure the Alliance continues to make progress on taking forward the ambitious agenda agreed at Warsaw, in particular on modern defence and deterrence towards Russia. On that front (literally), the enhanced forward presence of NATO battlegroups is deploying this Spring to the

Baltic States and Poland, with the UK proud to be leading the formation in Estonia, one of our most effective Allies in the Helmand campaign; and

- to take stock of what NATO has done since Warsaw to expand NATO's role in addressing instability on our Southern flank and beyond, including the new NATO Training and Capacity Building activity in Iraq, helping Iraqi security forces build their ability to secure the country after the defeat of Daesh.

All this requires resources and reform.

We are one of only four Allies other than the US currently meeting the NATO target of spending 2% of GDP on defence. We support the new US Administration's focus on this burden-sharing issue.

But a more effective Alliance is not only about money. It's also about continuing to modernise our structures and ways of working to ensure the Alliance is capable of addressing simultaneously the complex and challenging world around us, including the scourge of terrorism.

So this week's Ministerial will help set this year's agenda. One where NATO builds on the achievements and decisions of the Wales and Warsaw Summits and, looking ahead to the next Summit later this year, shows it is gripping collectively the new challenges we will face together.

[News story: Petunia Seaways and Peggotty report published](#)

From:

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Collision between ro-ro freight ferry Petunia Seaways and historic motor launch Peggotty on the River Humber.

MAIB's report on the investigation of the collision between the ro-ro freight ferry Petunia Seaways and the historic motor launch Peggotty on the River Humber, UK on 19 May 2016 is now published.

The report contains details of what happened and the subsequent actions taken.

UN warns of civilian casualties in 'face to face' fighting in eastern Ukraine

14 February 2017 – Intensified fighting between Government and non-Government forces near densely populated areas in eastern Ukraine is endangering civilians, the senior United Nations humanitarian representative in the country told reporters in Geneva today.

“The situation in eastern Ukraine is actually quite serious, you will be aware that between 21 January and 3 February the fighting intensity increased,” said Neal Walker, UN Resident Coordinator and Humanitarian Coordinator in Ukraine, citing frequent violations of the ceasefire and fighting near the towns of Avdiivka, Yasynuvata, Makiivka and Donetsk.

“There was extremely intense fighting from the 29th until the 3rd of February,” Mr. Walker recalled, noting that that the number of ceasefire violations exceeded 30,000 in a week or so, compared to less than 30,000 over the course of a month.

The conflict in eastern Ukraine erupted in March 2014. A ceasefire was eventually negotiated in Minsk, Belarus, in February 2015 but there have been frequent violations. The latest truce began on 23 December last year.

“The approximation of fighting forces, armed separatists in the east and Government troops, the distance separating them has narrowed, has narrowed incredibly,” Mr. Walker said. “And they are now face to face. You also have an increased presence of heavy weapons directly in violation of the Minsk accord.”

Mr. Walker also mentioned that the humanitarian situation is quite critical. “Let’s not forget temperatures in the past weeks have been between 10 and 20 below zero centigrade,” he said.

The UN Resident Coordinator also warned about environmental damage to critical civilian infrastructure due to shelling. “We have for instance a phenol chemical plant which has enormous potential to do severe environmental damage if the shelling is continued and it is damaged further,” he said.

“There are probably between 800,000 and one million IDPs (internally displaced persons) in government controlled areas of Ukraine,” Mr. Walker estimated. “We estimate another 200,000 have actually returned to non-government controlled areas from government controlled areas,” he added.

Since the beginning of the conflict, around 10,000 people have been killed in the violence, with civilian deaths on the rise.

Press release: PM call with US President Trump: 14 February 2017

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Part of:

Prime Minister Theresa May spoke with US President Trump.

A Downing Street spokesperson said:

The Prime Minister spoke to President Trump this afternoon, as part of their regular engagement. They discussed a range of issues, including trade and security and also discussed the President's upcoming state visit to the UK. The Prime Minister said she looks forward to welcoming him later this year.