

Forging new trade links

By **JOHN CRIDLAND CBE**

DIRECTOR GENERAL, CBI



JOHN CRIDLAND CBE was educated at Boston Grammar School and holds an MA in History from Christ's College Cambridge. He joined the CBI as a policy adviser in 1982 and has been Director of Environmental Affairs and of Human Resources Policy, as well as Deputy Director-General from 2000 to 2010, before assuming his current position. As Director-General of the CBI, Mr Cridland is the key spokesman for the business community in the media, on public platforms and in its dealings with Government.

Jaguar Land Rover's iconic Range Rover and F-Type models fly the flag for UK design in China

As director general of the CBI I am delighted to be supporting UK business on a high-level trip to China next week.

The visit, headed by Prime Minister David Cameron, will reinforce the importance of the deep commercial, cultural and political links that exist between our two countries.

A large and diverse business delegation of more than 100 companies will accompany the Prime Minister, bringing with them, among many areas of excellence, expertise in healthcare, retail, the creative sector and professional services.

I am confident that our visit will bring further opportunities for British business in China and for Chinese investment in to the UK.

The latest figures show that in 2012 the UK was the fourth most popular destination for Chinese outward investment – up from 8th place in 2011. And our investments into China were second only to Germany for the same period, totalling US\$18.76 billion.

It is encouraging to see that our delegation will be visiting South West China, particularly given the opening of a new direct flight route between London and Chengdu by CBI member British Airways in September.

New flight routes lead, over time, to increased trade and we need to encourage more direct air routes from the UK to China. We still lag behind France and Germany in this respect.

In September, a major £800 million Chinese

investment was announced into the construction of an 'airport city' adjacent to Manchester airport.

This exciting project will bring much needed investment and create a potential 16,000 jobs in the region. It is likely to be the largest infrastructure project since the London Olympics and should provide an excellent base for enhanced Sino-UK business relations.

The CBI has had its unique platform in China for the past 7 years. Based in Beijing, our office has been working for our member companies in partnership with the China Britain Business Council (CBBC), UK Trade & Investment (UKTI), the British Chambers and the FCO's consular network across China.

Building strong partnerships which benefit our membership remains central to our China role.

We have been busy through 2013 reinforcing the openness and transparency of the UK as an economy and a place for China to do business in.

Whether supporting the launch of the London-Chengdu air route in Sichuan or participating at the annual China-Eurasia Expo in Urumqi, Xinjiang province, we remain committed to promoting UK-China ties countrywide.

The opening of a Free Trade Zone in Shanghai this October should offer tangible market opportunities to the UK's financial and professional services sectors.

Both this announcement and the Chinese leadership's positive approach to reform as outlined at the recently concluded Third Plenum earlier this month suggests that further market opening is inevitable,

The UK stands to benefit from China's transition to a consumer-driven economy, particularly given our outstanding British brands, innovative creative industries sector, educational excellence and world leading international corporations.

But the UK cannot be complacent.

We need to export more, encourage greater awareness of China in the UK and be more dynamic and strategic in our approach both to the Chinese market and the evolving requirements of the Chinese online consumer.

The rich and diverse selection of UK companies travelling out to Beijing, Shanghai and Chengdu will certainly be able to meet many of these asks.

To conclude, I am looking forward greatly to my visit to China next week and working with business and government in both countries to enhance UK-Sino relations.

