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Moderator questions in Bold, Respondents in Regular text.

KEY: Unable to decipher = (inaudible + timecode), **Phonetic spelling** (ph) + timecode), **Missed word** = (mw + timecode), **Talking over each other** = (talking over each other + timecode).

Moderator: Do allow me now to introduce the panel who'll be in conversation. It will be chaired by Steve Baker, MP, Minister of State for Northern Ireland. Please do give our panellists a, a really warm welcome. Also, Pedro Serrano, who is the European Union ambassador to the UK. From the Embassy of Japan, Minister Kyoichiro Kawakami, welcome. Also, Andrew Hammond, Director of External Affairs for Mitsui & Co Europe, and Emmanuel Terrasse, who is the Vice President of European Countries and Equipment, Thales Alenia Space, welcome to you all. As I say, Steve Baker is going to be, be your chair for this event. Before entering politics, Steve spent ten years as an engineering officer in the Royal Air Force, serving all over the world, and then became a software engineer. And, as if chairing panels and being in politics doesn't involve enough adrenaline, Steve is also a very keen skydiver. He rides motorbikes and is a fast catamaran sailor. So, over to you.

Steve Baker: Anita, thanks very much. Ladies and gentlemen, thank you very much indeed for being here. It's a real privilege to add my own welcome and to just say thank you for being here in Northern Ireland. I think this has been a terrifically successful conference already. Either that, or officials have just been very careful about who I met. But it's particularly important to me to be here. As some of you may know, I had one or two things to do with the process of the UK leaving the European Union, and it was a very difficult time, but we are approaching, today, for the United Kingdom and for Northern Ireland, indeed, I believe for all of Europe, a moment of real transformation and opportunity. And I think, in this panel, you're really going to hear about this transformation in our relationships and that the opportunity that that can deliver.

A lot's been said about the unique position that Northern Ireland finds itself in, but I just want you to imagine some of the world's special economic zones. They tend to be very good at getting goods in, but Northern Ireland has this particular opportunity to get goods out, out into Great Britain, unfettered as of right, out into the European Union with privileged access, without tariffs or process, out into all of our FTA countries. So, we've joined the Comprehensive and Progressive Trans-Pacific Partnership. That is transformational, I believe, for the world, and also, of course, to do it all under UK services law, where that is important to you. So, I think those are the four pillars which particularly apply to Northern Ireland, uniquely in all the world. When we parade market access to Great Britain and to the European Union, of course people sometimes reply, 'You could have had that in the EU.' And of course, that's true, but what you can't get in the EU is to have-, also to have access to CPTPP and our other free trade agreements. So, it's a particularly unique set of circumstances, and what I'm going to do now is take my seat and turn to one of the most important figures in this transformed relationship. So, ambassador, Pedro, tell me, what

has The Windsor Framework meant for the relationship between the UK and the European Union?

Pedro Serrano: No, thank you very much, Minister, thank you very much, Steve. Quite a privilege to be here and having learnt so much from this distinguished audience and panellists and speakers today on, on something very important to us, which is the relationship with Northern Ireland. We've been-, actually, the European Union has been a partner of Northern Ireland for many decades, and we've been accompanying Northern Ireland through its peace process and supporting it. Supporting it even economically, and we calculated more or less over the 30 years, more than €3 billion have been devoted to this. And, when it came to Brexit, we knew that we had to find-, find a specific solution for Northern Ireland, precisely to ensure that it-, that, that, that we no hard border in, in Northern Ireland, and this has given way precisely to, to this Windsor Framework.

The situation has been, of course, and I think that the dust is settling over, over Brexit. We're seeing the importance of our relationship and, and we've also seen how-, and that importance has also been brought to our attention by the Ukraine crisis and the need for the EU and the UK to stick together. We have shared values, we have shared interests. And so, we had to find solutions to the Northern Ireland issue, and it has been a, a privilege, actually, that we have seen our top leaders working on this and finding solutions. And our, our President von der Leyen with the Prime Minister. Sevcovic, our vice president, with James Cleverly, with Heaton-Harris, you've been active as well on, on all this, and, and I think the defining element is, again, the recovery of trust in the relationship, and I think The Windsor Framework means that again. We have trust, we-, and respect for the interests of each other and the challenges that-, solutions, that have to be brought, represent for each other, and I think it's that environment of respect and, and understanding that has allowed The Windsor Framework to come forward. And, and actually, this Windsor Framework has opened the door to a flourishing of, of their relationship, and we've seen how, after this, we have-, now have a Memorandum of Understanding for financial regulatory-, for a financial regulatory forum that we're going to establish.

Steve Baker: Horizon.

Pedro Serrano: I was coming to that. Last week, we reached an agreement on participation of the UK in, in EU programmes, and it would be participating in Horizon and Copernicus, and this is huge. And we've heard it today, actually, and the relevance it has for these wonderful universities in Northern Ireland, and the links with industry and business. So, all that is advancing also very well. We're working even on other issues, and I think most of you will have read in the press as well, work on, on agreement on-, a Frontex agreement, an agreement with Frontex. So, we're working on, on, on many fronts and also, of course, on this huge challenge that we have with the aggression, Russian aggression and Russia, and which means that we're also working together on foreign security and defence policy. And the reality is that the relationship is very, very deep and we have-, our economic systems are profoundly linked. We are the first trade partner of the UK by far, with 40% of trade in goods being with the European Union. You're our third partner with 9 comma 8, in 9.8. So, and, and we have 5 million European Union citizens here, and, and we have more than 1 million UK citizens within the EU.

So, the relationship is very deep. We're finding ourselves again, in that relationship, finding comfort in, in it. Re-establishing the links of trust that have to be there, and then we have to continue reaffirming and, and actually the, the, The Windsor Framework has been very instrumental in achieving this. So, I think we could describe this year as a good year in EU, UK relationship. Now, I don't-, I'm not sure that we could describe it in those terms, the, the, the past few years, in a way. They were interesting, important, everybody was trying to achieve what they needed to achieve and full respect for that, but we are finding again the reality of that, that relationship and, as an ambassador of the European Union to United Kingdom, I find it very rewarding and hope that I can contribute to that as well.

Steve Baker: Well, thank you very much, and I just want to say what a huge privilege it is for me, after everything we've all been through as the UK and the EU and in particular as Northern Ireland. What a privilege it is to sit here and hear you say that trust has been restored, and it's a real privilege and I think that message will be heard loud in here, clear here and, and elsewhere. You know, this is the two of us agreed on a flourishing of a, a, a newly-restored relationship, and I'm extremely grateful to you. Thank you. And Minister Kawakami, you're here from the Embassy of Japan, Minister for the Economy. Tell me, CPTPP and our accession to it, what does that mean for Japan? What does that mean for us and for Northern Ireland?

Minister Kyoichiro Kawakami: Yes. CPTPP is a great agreement, as Secretary Badenoch described this morning, and it is a great regional agreement in the-, in the Pacific, where the centre of the world economy is shifting to. So, it was very natural to me, when the UK decided to seek the membership after Brexit, and we really welcome the conclusion of the agreement. It was signed quite recently in July, and now we have been working to complete the domestic procedures, and I think as I-, as next year, that the UK will be the twelfth full-fledged member, and we will welcome the UK's joining the CPTPP. This is an agreement with-, that has a very enhanced market access, very high standard rules, including very innovative digital rules, and it also has a, an evolving system that it entails, and with all of these elements, the CPTPP can-, would provide good opportunities for the business, for the UK for-, in the years to come. You know, this is not replacing the EU market automatically, but this would create a new flow of goods and new supply chain. You know, there are-, I know some people who say there are very minimal economic benefits for them by the CPTPP, but I know it is based on a very static modelling so-, and this doesn't allow, or take into account, the dynamism that I have described. So, I hope that, you know, with the UK's accession to-, into the agreement, that, that, that CPTPP itself would evolve itself, and UK will join-, UK will also enjoy the benefit of that expanding, and the framework.

Steve Baker: Thank you very much, indeed. And, of course, we concluded a free trade agreement between ourselves before our accession.

Minister Kyoichiro Kawakami: Exactly.

Steve Baker: And what-, could you tell us a bit more about that UK-Japan free trade agreement?

Minister Kyoichiro Kawakami: Trade agreement, yes. I, myself, had an involvement in that negotiation as a deputy chief negotiator, and it was the first agreement that the UK has signed after the Brexit. We decided to finish the negotiation by the end of transitional period that-, and followed after the referendum. Yes. This is very important to keep secure-, to secure the smooth transition from the Brexit, and we have managed to do that. And thanks to the agreement, was put in place in time, there was no economic slump, or trade slump, between Japan and the UK after the Brexit, and I think, you know, trade agreement-, this shows that the trade agreement really works, and I think the UK government's, I know, strategy to conclude as many as, I know, trade agreement to secure that smooth transition was really a wise one and a very-, and a correct one.

Steve Baker: Yeah, we're a free-trading nation and our partnership with you is, of course, really important, fundamental, really value you being here to explain it, and I think a common theme with both the EU and with Japan and with CPTPP is high standards. It's something we've all talked about. Can I come back to you, Andrew, in a moment, but come to Emmanuel to talk about Thales and your experience of being here in Northern Ireland, what it's meant to you and what kind of success it's been?

Emmanuel Terrasse: Well, we are, at Thales Alenia Space-, is a-, is a space company. We are truly European player. We are based in ten different European countries over seventeen sites, and we are active in the United Kingdom since 2015, with three sites. Two in England, in Harwell, in Oxfordshire, and in Bristol. And since 2016, we are based also in Belfast in Northern Ireland, where we've developed a, a manufacturing facility to integrate propulsion systems for satellites. And, for us, as a-, as a truly European player, we are strongly involved in trades between Northern Ireland and the rest of the world, with a strong focus on European Union countries, and so, clearly, the recent evolution as, as, as mentioned by you, Minister, and by the ambassador, have been very important milestones for us that allow us also to, to envisage the, the future of our-, of our Northern Irish activities with, with confidence. Both because we know what are the rules in terms of trade that will apply, thanks to The Windsor Framework, and also, because the, the confirmation of the UK participation in, in the Horizon and in the Copernicus is something that will allow us, from a UK, and in particular, from a Northern Irish firm, facilities to participate in these programmes that are crucial for, for space.

Steve Baker: So, it sounds like a spirit of relief and a gladness to be here, and a plan to stay.

Emmanuel Terrasse: Yeah, indeed. I think it, it allows us also to, to think about the future, how we want to, to further develop our activities in Northern Ireland, relying on what has been the success of our, of our current activities. I think all of the, the people on stage today have mentioned what are the strengths of, of Northern Ireland, in terms of people, in terms of skills, in terms of support from the authorities, both at the UK and, and Northern Ireland level to, to help investors. And I think, with this new framework of rules relating to trade and, and research programmes, it creates really the right environment for, for further investment in Northern Ireland, globally.

Steve Baker: Well, we're extremely grateful to you and to Thales for being here and for considering that further investment, thank you very much. Andrew, please do tell us something of Mitsui's plans in Northern Ireland.

Andrew Hammond: Sure. Well, just as some background first of all, and it's great to be here, thanks for inviting us as a Japanese company. We're a very diverse company. Our spread is from agriculture to transport and mobility, through to metals and minerals. A very diverse company, including, actually, a seaweed company here in these islands. So, I think that probably is an illustration of that. We're the UK-, so, we're-, Japan's largest investor in the UK, and one-, the longest-standing firm with a footprint here. In 2022, our stock of investment was around 1.3 billion, with trading receivables of about 1.8 billion. So, a significant-sized operation. It's also perhaps worth saying in the context of this summit that, next month, we assume the presidency of what's called the Japan Chamber of Commerce and Industry trade group. That's a trade group of about 300 organisations, companies. So, a significant entity there. So, hopefully we can channel good spirits through there as well.

In terms of our profile, we welcome the relationship with the United Kingdom. We're a member of the UK Investment Council, which advises ministers on the global economic environment. In terms of these islands, we've had a long-standing footprint. We have an-, we had an office in Dublin for over 50 years, but if I talk through some of our investments in the last year, it ranges everywhere from £0.5 billion in renewable energy, through to £0.5 million in the seaweed company that I mentioned earlier, which is a key part of our portfolio, always learning new things about that business. In terms of some of our historical footprint, on the transport and mobility side, we're one of the first and leading providers of trains on these islands, and some of those actually go between Dublin and Belfast. On the renewable side, we've made a big investment in the company called Mainstream, that half a billion investment I mentioned earlier, and that's just, for instance, won a big contract in Shetland for offshore wind, 2.3 GW. So, a significant size contract.

So, we have a very positive outlook among these islands, including Northern Ireland. I know from experience that the advantages of The Windsor Framework, CEPA, as the Minister and Mr Baker was talking about earlier. Plus, also, the CPTPP as well. They do really provide advantages, unique advantages, given the-, being the only nation in the world to be able to access both the UK and the EU single market. So, I think that those are big things. We're also aware in the nation as well of the wider advantages. I've got many Northern Irish friends in London, very smart people, and I know that reflects the quality of the education system here. So, I do think that the, the future is positive. As has been alluded to by speakers earlier, what I think is now needed is doubling down on that long-term framework that we've had over the last 25 years, clearly with the Good Friday agreement, and I think, if that happens, the future is very positive.

Steve Baker: Well, thank you very much. So, on the theme of a positive future, is that how things seem

from Japan? Do we look like we have a positive future here in Northern Ireland?

Minister Kyoichiro Kawakami: Oh, of course, yes. You know, on one hand, we are very much looking forward to-, I mean, as for the whole UK, we really welcome the emergence of the independent UK after the Brexit, so that we can, I know, work together on the world stage. But, on the other hand, it is very important for the Japanese companies operating in the UK to-, for, for, for the UK to have a good relations with the United-, European Union, because most of the Japanese companies, those 400 companies, are the regional headquarters of the big firms of Japan. And they are covering business, not only in the UK, but they cover their business operations, I know, of the whole of the Europe. And sometimes, their coverage goes beyond Europe to include Middle East and Africa. So, for them, it is very important that the United-, UK-, that the United Kingdom to have a good relation with the European Union, because UK has been a gateway for the Japanese company to enter the European market, and it was a chosen hub for them. And in order to remain to do so, it is very important that the UK and the EU has a stable relation.

So, I-, so, so, we are very much delighted that The Windsor Framework was agreed, and, and that also matters, Northern Ireland, and all Northern Ireland. So-, and I think the unique position of the Northern Ireland gained from The Windsor Framework would provide it a great opportunity to be a gateway both to the UK and the EU, and that's important for the Japan's too.

Steve Baker: Could I ask you, Pedro, to reflect on that global perspective on what this relationship means around the rest of the world? So, as, as, as we've just been told, you know, Japan needs us to be on good terms, and do you see that in your relations with other countries? That there's a sense of relief and, and, and happiness, that the rest of the world can now see that the UK and the EU are going forward as friends.

Pedro Serrano: Well, the rest of the world is a complicated place.

Minister Kyoichiro Kawakami: Yes.

Pedro Serrano: And, and we have some that are more friends than others. Certainly, with Japan, we have a brotherly relationship together in the G7, and, and there's no doubt that, within what we would call the Western world, it is very important that, that the European Union and the UK have strong relations. Most of our member states are NATO allies. Now, the UK plays a key role in NATO, and as we were saying-, as I was saying earlier, the Ukraine crisis has shown, really, the need for us to stick together. And even beyond Ukraine, I mean, there's a whole agenda of, of, of peace and prosperity and democracy that we have to preserve in Europe and support as much as we can abroad, and for that, it is very important that we remain together. And finally, I think, for this community here, the investment community, the fact that we are sticking together provides also security and stability. The Windsor Framework provides legal

certainty on how things have to happen, and that is key for any investor. And furthermore, what we see as well is how it shows that the new framework that we've established through Brexit, which is based on the withdrawal agreement and the trade and cooperation of the networks, actually, we're going to be having, I think-, I don't want to scare anyone, but 19 specialised committee groups from here to the end of the year.

I mean-, and, and we are finding solutions and we're-, we are seeing that these mechanisms are providing us with problem-solving instruments, and I think that is very important. So, yes, I do think that, that our relationship has benefits for the rest of the world, definitely.

Steve Baker: Thank you very much indeed. It's been indicated to me, in the absence of the traffic lights which have stopped working, that we've got to come to a conclusion. But I wonder if I could just very cheekily ask our two companies to have the last words. So, perhaps Thales, you could give us the last word, Emmanuel.

Emmanuel Terrasse: Well, I think what I can say, so globally our experience in Northern Ireland has been very positive. I'm very happy to have done this type of investing in Northern Ireland. Our intention is to continue to, to extend and deepen, I would say, that, that presence, extend globally, and see how we can develop new, new activities. We export, actually, 100% of what we do in Northern Ireland in the world, in the EU and other countries. We want to continue to develop products also for the wider export, but also for, for the-, for the UK market. As mentioned several times by speakers, Northern Ireland is really in this unique position now, being able to serve both the EU and the-, and the UK market. And we want also to deepen our, our presence in Northern Ireland, and I think the, the richness of Northern Ireland is also the, the network, the ecosystem that can be built around academies, around other companies, and this is what we are doing, building around the space cluster that I think can create even more value for Northern Ireland and the UK than a company alone can do.

Steve Baker: Thank you, Emmanuel. Andrew, the very last word to Mitsui.

Andrew Hammond: Thank you. I'll be brief. I'm really impressed by the energy in the room today. I've met so many people with great ideas. Mitsui constantly looks at investment options, trade options. One example, for instance, we're working with a local dairy firm. We had a long-standing relationship where we, for instance, send milk produce to Asia, and we look across the full spectrum of options. What we're interested in is not the geographical location, but the quality of the investment case. That's what we will continue to do and we very much look forward to continuing to partner with people in the room, going forwards.

Steve Baker: Well, Emmanuel, Andrew, Minister Kawakami, Ambassador Serrano, thank you all very much indeed. Ladies and gentlemen, I hope what you've seen today is that the United Kingdom has

succeeded in renewing and transforming our relationship with the European Union, with global partners and, indeed, continuing to reassure and attract international investors. I'm really proud of what we've achieved, I hope that this session has been useful to you. Please join me in thanking our panel.

Captions by Verbit Go