

Written evidence submitted by the Office of the City Remembrancer - City of London Corporation (INR0094)

1. A key priority for the City of London Corporation is to help maintain and promote London as a global centre for financial and professional services. The City Corporation will be responding to the Call for Evidence issued by the Cabinet Office. For the purposes of the Committee's Inquiry, this paper focuses on the role the City Corporation plays in supporting the work of the FCDO and other Government Departments in promoting relationships with international partners. There are also broader aspects of the soft power agenda not referred to, for example building relationships with diaspora communities and engagement with diplomatic missions in London, in which the City Corporation is also involved but fall out of scope of the current inquiry.

Professional and Financial Services

2. The UK is hugely respected around the world as a pragmatic and innovative place to do business, with high standards and integrity. The services cluster based in London is a major UK asset. It is a significant contributor to the UK balance of payments, to the public finances and to employment. UK-based financial and related professional services employ more than two million people across the country. Two-thirds of those jobs are outside London.
3. Financial and professional services continue to be the UK's leading export sector with a trade surplus larger than the combined surplus of all other net exporting industries in the UK. The value of UK financial and professional services is something that the City of London Corporation makes every effort to promote not only within the UK but on an international scale.

Work with the FCO

4. The City Corporation works closely with the FCO (now FCDO) in respect of a range of activities both in this country and internationally. This ranges from support by the City Corporation for inward visits by leading foreign political and business leaders to assisting in the hosting of international conferences held in London. The holding of State Banquets and associated business events for visiting Heads of State at Guildhall and major occasions such as the annual Diplomatic Banquet at Mansion House form part of the City's contribution to fostering close and fruitful relations with countries throughout the world. The City Corporation is appreciative of the support given by FCO to the City's objective of fostering and expanding business relations with important economic partners, and seeks to be supportive of UK foreign policy goals in building and strengthening ties with international partners. The continuing regular exchange of information and joint working with FCO staff in the UK and in overseas missions is an essential element in ensuring the successful outcome of these activities.

Overseas Engagement

5. Both the Lord Mayor and the Chair of Policy represent the City Corporation overseas. The Lord Mayor acts as a global ambassador for UK-based financial and professional services, and leads for the City on export/investment and trade promotion; the Policy Chair leads on international engagement on policy, regulation and key long-term relationships. The subjects covered extend beyond financial and professional services to include the tech sector, infrastructure and other areas where the UK has a leading position, and has a particular regard to the framework conditions and regulatory environment in which they operate.
6. The City Corporation has reviewed its international engagement, looking to identify priority countries and partner cities from the perspectives of both policy/regulation and export/investment, with a view in particular to retaining and enhancing the prosperity and competitiveness of the City of London and the UK's financial and professional services industry. The challenges and opportunities of Brexit have sharpened this exercise. Alignment with the wider efforts of government and business has been a priority.
7. The City Corporation has always received excellent support from the FCO and DIT and its predecessor departments in developing and successfully delivering its international programme. Each overseas visit programme is delivered in market by economic and commercial staff based in the Embassy and Consulate network, with the aim of increasing the profile of the UK-based financial services industry in overseas markets (predominately high growth markets), promoting business development opportunities for UK-based firms and influencing senior interlocutors to increase market access for such firms.
8. The Corporation also enjoys a close and productive relationship with DIT, and the support provided in facilitating engagements and undertaking market follow-up is an invaluable part of the City Corporation's overseas engagement. DIT has a vital function in both attracting senior industry figures to visit the UK (to promote both trade and investment opportunities) and the coordination of overseas visit programmes made by business ambassadors and Government Ministers.
9. A consistent message received when overseas is that the UK has a strong global brand, representing a hallmark of quality and reliability in a wide range of sectors, from manufacturing and engineering, to finance, infrastructure, education, and legal and professional services. The City has an ongoing relationship with businesses and UK diplomatic missions in these priority markets.
10. The City Corporation's experience is that both 'the City of London' and 'the British Embassy' brands are powerful and widely respected. It is sensible to seek to build on these brand assets, and the City Corporation is greatly encouraged by a renewed emphasis on "commercial diplomacy". The Lord Mayor's role can be particularly valuable in emerging markets and countries where there is strong government involvement in economic functions. The City Corporation is committed to building

long-term relationships with key partners in countries of significance to the UK where the City can have a useful role in maintaining and developing ties with the UK.

11. The effect of the pandemic on the global and the UK economy, together with the UK's departure from the EU, mean that it is even more important to defend and expand the role of London and the UK as a leading financial centre. The City Corporation will seek to work closely with the FCDO and other Government Departments in meeting these challenges.

September 2020