



MINISTERIAL STATEMENT

To The House of Assembly

By

The Hon. Michael H. Dunkley, JP, MP

Premier of Bermuda

Brexit Update: Report on Joint Ministerial Council

10th February 2017

Mr. Speaker,

Members of this House will be aware I attended the Joint Ministerial Council on European Negotiations [JMC EN] in London earlier this week and was accompanied by the Deputy Premier and Minister of Finance, the Hon E.T [Bob] Richards JP, MP, Cabinet Secretary, Dr. Derrick Binns and our UK Representative Ms. Kimberley Durrant. I believe discussions this week were productive as this is the start of a process of dialogue with UK Ministers in preparation for the UK's negotiations with the European Union.

I had the pleasure of meeting the Prime Minister, Rt Hon. Theresa May MP on the grounds of No.10. The Prime Minister makes it clear Britain's ambition is to negotiate the best possible deal for the UK while continuing to operate within the European Market.

The Prime Minister outlined 12 objectives for the forthcoming negotiations. Some of these speak directly to the UK Government's domestic agenda of building a stronger and fairer society by embracing economic and social reforms. A new partnership with the EU would see the UK withdraw from membership of both the Single Market and the EU's Customs Union, and seek a Free Trade Agreement with the EU to provide access to the Single Market and tariff free cross-border trade. The UK would no longer contribute 'huge sums' to the EU budget, but may participate in, and contribute to some specific EU programmes.

Our obligation as Leaders and Representatives of the Overseas Territories is to ensure we explore all relevant opportunities and uphold our economic stability throughout the negotiation process once Article 50 is triggered.

We expect the Prime Minister to trigger Article 50 of the Treaty on the Functioning of the European Union by the end of March, 2017.

Mr. Speaker,

The Joint Ministerial Council on European Negotiations [JMC EN] is the formal consultation forum for Overseas Territories provided under the White Paper for 'The United Kingdom's Exit from and New Partnership with the European Union. The purpose of the JMC EN is to ensure that the Territories' position, including from a UK perspective, is adopted throughout the negotiation process. Meetings are chaired by Parliamentary under Secretary of State for Exiting the European Union, Robin

Walker MP and Foreign Office Minister for Overseas Territories, the Rt Hon Baroness Anelay.

We agreed with the UK Government that when the UK leaves the European Union, the strong relationship we have with the EU and the important mutual trade and business links we share should continue.

The UK Government is committed to engaging with the Overseas Territories as we prepare to exit the EU, and ensuring that a deal that works for everyone is achieved. In this context my fellow leaders and I emphasized that the UK Territories can contribute to a truly global Britain.

Mr. Speaker,

The Overseas Territories derive considerable benefits from their Association with the EU. These include funding, trade privileges, free movement of people, and political access and profile. A major concern is that a UK exit from the EU would remove all of these benefits.

For some Territories European Development Fund [EDF] support represents 60% of their overall budget. With the UK exit from the EU, these Territories will face challenges in retaining access to future EDF allocations.

Minister of State for the Department for International Development [DFID], the Rt Hon Lord Bates indicated that the UK allocates 4.78 billion Euros to the overall EDF contribution for EU development assistance. Once the UK leaves the European Union their overall commitment to the EDF will be subject to discussion as to how it is spent on international developmental aid. Territory Leaders have asked that the UK uphold its position that OTs can be the first call on this aid. In the view of the Territories, it is an important and moral obligation to push the UK Government to provide a firm commitment on the retention of the benefits those Territories currently derive from their Association with the EU.

Mr. Speaker,

The greatest concern for most Bermudians is Free Movement of our people within the EU, a matter we discussed with the Home Office's Director for EU Exit Immigration Policy. The Home Office is leading on three areas of priority within the negotiations:

- Protecting the rights of EU Citizens already residing in the UK
- Looking at the future flow of EU citizens into the UK [what should an overall UK immigration framework look like]
- The rights of UK citizens to go to the EU in the future

The main EU Treaty provision relevant to the free movement of people will no longer apply. Nevertheless, my fellow colleagues and I were strong and united in our advocacy for the retention of the free movement of British Overseas Territory Citizens [BOTC] throughout the EU after the UK Exit. This issue becomes all the more critical for those Territories that share a border with a European Territory or require access through such a Territory for any movement in or out of their own Territory.

Mr. Speaker,

We discussed trade issues with Lord Price, CVO, Minister of State with the Department for International Trade [DIT].

DIT's focus includes the World Trade Organization [WTO], through which the UK will seek to secure access rights to other members' markets.

Mr. Speaker,

Moving forward we have to remember that life goes on after Britain departs the European Union. It is in no one's interest to have uncertainty on the future, particularly on the economic stability of Britain and its devolved administrations including Overseas Territories and Crown Dependencies.

The position of the Foreign Office and the Department for Exiting the European Union is as follows:

“The Overseas Territories are integral to the UK Government's ambitions to create a more outward looking United Kingdom. We are committed to taking their priorities into account as we prepare for negotiations to exit the EU.”

Mr. Speaker,

This Government will ensure that the UK Government upholds its commitment regarding exiting the EU and we are currently working with UK officials to establish a framework for immediate responses where matters arise relating to Bermuda under the negotiations.

The next JMC European Negotiations is scheduled to be held in June after the triggering of Article 50.

Thank you, Mr. Speaker.