

**STATEMENT TO BE MADE BY THE CHIEF MINISTER
ON TUESDAY 13TH SEPTEMBER 2016**

Well over two months have passed since the UK voted to leave the European Union.

Prime Minister Theresa May has taken office and assembled a new team of Ministers to deliver on the referendum result.

She has made clear that there will be no second referendum on the result of negotiations. As she says, “Brexit means Brexit.”

Our engagement with the UK Government since the Referendum has been very positive. We have received written confirmation from the Prime Minister and from the Lord Chancellor, The RT Hon Elizabeth Truss MP, that the Referendum result does not change the constitutional relationship between the United Kingdom and the Crown Dependencies and that her Government will seek to ensure that our interests are properly taken into account. She confirmed that we will be kept informed and given the opportunity to contribute where appropriate.

We have already had regular engagement at official level with the UK Departments leading the UK’s preparations for Brexit including the Cabinet Office, the Foreign and Commonwealth Office, the Department for Exiting the European Union and, the Department through which the Crown Dependencies relations with the UK are managed, the Ministry of Justice. Our most regular contact has been through the Cabinet Office, which is providing introductions to relevant individuals in the Department for International Trade, and the Department for Business, Energy and Industrial Strategy.

In due course at the appropriate time, we will be seeking meetings at a Ministerial level with the Lord Chancellor Liz Truss and the Secretary of State for Exiting the European Union, David Davis.

And I look forward to welcoming the Minister of State at the Ministry of Justice with responsibility for the Crown Dependencies, Sir Oliver Heald QC MP, to the Island on Monday 10 October. This will be an important visit and will offer Government a further opportunity to ensure that our interests are being taken into account.

We have created a Brexit planning unit at the heart of Government that is responsible for all Brexit-related activities during this process. They are coordinating a high-level working group of all Departments to assess potential implications for Jersey and assess our cross-cutting interests in Brexit negotiations. This analysis will feed into the work of four workstreams, set up to mirror the approach taken by the UK Government, which will focus on:

1. Free movement and the Common Travel Area
2. Agriculture and Fisheries
3. Financial Services
4. Customs Union and Market Access

We also have an ongoing and active engagement programme with the EU institutions and with EU Members States to ensure that our interests in Europe are promoted and protected. Our close relationship with countries across Europe will continue to be of great importance.

It is essential that States Members and members of the public are able to engage on this important issue and we will be working to ensure that all views are taken into account. We will be holding public forums, meeting business groups, and creating chances for our diaspora communities to have their say.

I plan to meet with States Members on Wednesday 28 October where Members will have the opportunity to pose questions, offer their perspectives and contribute to the process. Planning for

Brexit will need the help of all community groups on the Island and I hope Islanders will contribute during this process.

The fundamentals of our economy are strong. We are well-placed to deal with any short-term uncertainty in the UK economy, but equally, to take of the opportunities the UK's change in relationship with the EU might present. Our approach to the MTFP addition has been supported by the FPP: we have ensured that there is a level of flexibility inherent in the public finances to help us deal with any unforeseen volatility.

We do not have any long-term net debt, and do not have to deal with large interest payments and debt repayments as is the case in so many other countries. The pound remains lower than its pre-referendum heights, and while this will impact on business, it will benefit our tourist and export businesses in the short term.

The diversified nature of our financial services industry means that we are well placed to succeed in a post-Brexit environment. We are already outside of the EU for financial services. Our well-respected regulatory regime means that we are one of five jurisdictions approved for the EU's AIFMD passport and this will not change after Brexit.

We will continue to ensure that Jersey's role in upstreaming considerable funds from around the world to the UK and Europe is understood

I would like to emphasise that the rights of Islanders to travel, study and work in the EU, the rights of EU citizens to live and work in Jersey, and the rights of Jersey businesses to trade with the EU will continue during this period. We have received no official word on the Government's plans to trigger Article 50 of the Lisbon Treaty, which will give a negotiating period of at least two years for the UK and the EU to find new terms. After this period, the UK will cease to be an EU member state.

Brexit will be a long process. It is currently only now in its infancy. The negotiations will bring together all EU Member States to discuss their future relationships. We do not know what the outcome of these negotiations will be. However, we have set out the broad basis of our position and will be working on the detail of what Jersey wants and needs in the coming months together with the other Crown Dependencies, and the UK Government to ensure that Jersey's interests are understood and protected over the course of the coming months and years.

Negotiations have not started, but I can assure the Assembly that we have prepared for them thoroughly. The work we have undertaken lays the foundations for success, and while there is still more to be done, we can be confident that our preparations stand us in good stead.