



Note by the Secretariat

The Members of the British-Irish Council are invited to approve the minutes of the 34th Summit meeting of the Council, held virtually on Friday 6 November 2020.

British-Irish Council Secretariat
XX June 2021

PRESENT

Scottish Government	
First Minister	Rt Hon Nicola Sturgeon MSP
Cabinet Secretary for Constitution, Europe and External Affairs	Michael Russell MSP
Cabinet Secretary for Finance	Kate Forbes MSP
Northern Ireland Executive	
First Minister	Rt Hon Arlene Foster MLA
deputy First Minister	Michelle O'Neill MLA
Minister for the Economy	Diane Dodds MLA
Minister of Finance	Conor Murphy MLA
Minister for Communities	Caral Ní Chuilín MLA
Junior Minister	Declan Kearney MLA
Welsh Government	
First Minister	Rt Hon Mark Drakeford MS
Minister for Economy, Transport and North Wales	Ken Skates MS
Government of Guernsey	
Chief Minister	Deputy Peter Ferbrache
UK Government	
Chancellor of the Duchy of Lancaster	The Rt Hon Michael Gove MP
Secretary of State for Northern Ireland	The Rt Hon Brandon Lewis MP
Secretary of State for Scotland	The Rt Hon Alistair Jack MP
Government of Jersey	
Chief Minister	Senator John Le Fondré
Deputy Chief Minister	Senator Lyndon Farnham
Minister for External Relations	Senator Ian Gorst
Government of Ireland	
An Taoiseach	Micheál Martin T.D.
An Tánaiste	Leo Varadkar T.D.
Minister for Foreign Affairs and Minister for Defence	Simon Coveney T.D.
Isle of Man Government	
Chief Minister	Hon Howard Quayle MHK
Minister for the Treasury	Hon Alfred Cannan MHK

1. WELCOME

Rt Hon Nicola Sturgeon MSP, First Minister, Scottish Government, welcoming everyone to the 34th British-Irish Council (BIC) Summit, said that she was delighted to be hosting the Summit on behalf of the Scottish Government and that given the circumstances, it was a pity that she could not welcome participants in person. Particular welcome was given to An Taoiseach, the Chancellor of the Duchy of Lancaster, and the Chief Minister of Guernsey who were attending a British-Irish Council Summit for the first time in their current roles. First Minister Sturgeon also expressed her delight in being able to welcome members of the Northern Ireland Executive to the Summit.

The First Minister outlined some housekeeping points, requesting participants to ensure their microphones were muted when not speaking, continuing that at the end of each agenda item, there would be an opportunity for Member Administrations to revert with final comments, but asked that these would be kept to a minimum. The First Minister advised that the meeting was being recorded to assist the Secretariat, and that the recording would be securely stored, and later destroyed, once the minutes were approved.

The First Minister asked each Head of Administration to introduce their delegations.

2. Economic Recovery from Covid-19

Rt Hon Nicola Sturgeon MSP, First Minister, Scottish Government, opening the discussion on Economic Recovery from Covid-19, remarked that she was aware that all Member Administrations were looking forward to the moment where the focus was on recovery, as opposed to living through Covid-19. The First Minister noted her appreciation to the Secretariat for the paper, highlighting that it was useful to see the approach taken by all Member Administrations in dealing with the challenges of Covid-19. She outlined that all Member Administrations were still in the phase of battling Covid-19, and that this situation was likely to continue for the foreseeable future, particularly with the approaching winter months.

First Minister Sturgeon said Covid-19 was posing particular challenges for health, life and societies. She said that Scotland, like a number of Member Administrations, was living with a range of restrictions, and as a result, some tentative positive results had emerged, with the incidence of new cases beginning to flatten and decline, as well as a levelling off of hospital and Intensive Care Unit admissions. However, there was no room for complacency with a challenging period ahead. She said that there was a clear need for close cooperation between Member Administrations. The need to restrict travel to assist with the suppression of the virus within our own borders was extremely important, and recent reports about a potential new variant of the virus underlined the importance of ongoing international cooperation.

The First Minister said that although Member Administrations were all still living through Covid-19, there was a need to look ahead to recovery. She indicated that the Scottish Government had done a significant amount of work to look ahead, to supporting business and the economy in the short and medium term, and how to build back better from the current situation. This focus had been to ensure the recovery was as green and sustainable as possible given that, at the outset of the Covid-19 pandemic, there was a focus on tackling the challenge of climate change. Coming out of the current situation, this would be even more important to protect the planet, but also in that a green recovery would present economic opportunities. She said that the Scottish Government was also committed to ensuring that the current generation of young people do not pay the economic price of Covid-19, and that there was a focus on tackling and mitigating youth unemployment through measures such as the Youth Jobs Guarantee, which was at the heart of economic recovery plans.

Kate Forbes MSP, Cabinet Secretary for Finance, Scottish Government, provided an overview of the shared challenge highlighted by the Economic Recovery paper which was how to manage the immediate economic crisis while also looking ahead to long term recovery. She said that in fiscal and economic interventions, the need for flexible intergovernmental work was clear, not least because, for the Scottish Government, the ability to provide grant support, tax reductions and wage subsidies at the scale and pace required in a pandemic was reliant on working with other devolved Governments, and through a close and constructive relationship with the UK Government which had provided furlough and other business support. She said that the devolution settlement was never designed with a pandemic in mind.

The Cabinet Secretary for Finance outlined three common themes as noted in the paper: Jobs, Green Recovery and Digital. She said that like other Member Administrations, the Scottish Government focussed initial economic support in March on retaining jobs, and this continued to be a key priority in turning towards recovery. Initial interventions included business grants, tax reliefs and the Jobs Retention Scheme, the extension of which was welcomed by the Scottish Government. Looking ahead, the Scottish Government's Programme for Government prioritised a national mission to create new jobs, a National Transition Training Fund, a Young Person's Guarantee so that all people under the age of 24 were guaranteed a job, training or education, as well as a £100 million Green Jobs Fund. She said that the Scottish Government had endeavoured to use business support during the pandemic to support the transition to a green economy, providing the example of the Energy Transition Fund to support recovery in the energy sector, and the launch of a Green Investment Portfolio which would identify £3 billion of investible projects over the next 3 years.

The Cabinet Secretary for Finance noted that a digital recovery was also a strong theme from the Economic Recovery paper, given that the Covid-19 situation had underlined the importance of digital capacity across businesses, households and public services, and several Member Administrations had identified positive opportunities and interventions in this regard. In Scotland, steps were being taken to grow the contribution of the tech sector to drive up connectivity and also to end digital exclusion. She concluded by highlighting, as outlined in the Economic Recovery paper, that much had been done to enable economies across BIC Member Administrations to respond, restart, and hopefully recover during this challenging period, and that there was commonality in the sacrifices being made by peoples of the Member Administrations. She said the paper was useful in providing a basis for discussions and that she hoped Member Administrations could continue to work collaboratively towards reaching shared ambitions and objectives in protecting jobs and ensuring that the recovery was one that moved economies forward, particularly in relation to green ambitions and investing in our futures.

Micheál Martin T.D., An Taoiseach, Government of Ireland, echoing previous comments made, outlined that right throughout the Covid-19 crisis, the economic intervention had been unprecedented and in the initial phase of the response, there had been a strong focus on protecting businesses and enterprise, through a wage subsidy scheme to keep employees connected to their employers. Focus had also been on protecting livelihoods and the incomes of workers who had lost employment as a result of Government-introduced restrictions responding to Covid-19. The newly formed Government introduced the July Stimulus programme, designed to drive the economy by investing in capital and to implement a wide range of measures to keep the economy going, which had seen initial positive results. The Government also recently published its 2021 budget which deals with the twin challenges of Covid-19 and UK's departure from the European Union (EU), whilst also looking ahead. An Taoiseach said that the Government of Ireland was also working towards the publication of a National Economic Plan, focussing on the Green Economy, accelerated Digitalisation and human capital with investment in education including higher education,

apprenticeships etc. to ensure that young people had as many opportunities as possible, given the high rate of youth unemployment and that they currently could not seek employment opportunities abroad.

An Taoiseach said that Ireland was currently at Level 5, which essentially closed down a significant portion of the economy. Schools remained open, along with construction and manufacturing sectors, but non-essential retail and hospitality was closed. Positive results were being witnessed as a result of these measures, with numbers of new cases declining, and he said that at the end of November, decisions would be required on the level of restrictions to proceed with. An Taoiseach suggested that Member Administrations should consider pooling resources and how they could inform each other in terms of research and analysis on what worked best in terms of human behaviour and how best to proceed to keep economies functioning while suppressing the virus in 2021. He said that, geographically speaking, Ireland could not pursue a zero-Covid strategy, so the interplay between the virus and the economy would be critical. He said that the arrival of a vaccine will assist with these efforts, but this would continue to be a challenge over the next 12 months.

Leo Varadkar T.D., An Tánaiste, Government of Ireland, outlined that the restrictions currently in place in Ireland were very severe, but were working, with daily incidence of new cases reduced by half in the previous week or so, and incidence per 100,000 over 14 days declining rapidly. However, the economic impact of these measures was also very severe, with unemployment rates currently at approximately 20%, with a particular impact on younger people and the private sector. He said that the Government of Ireland was taking a range of measures in the areas of welfare and business support. For example, anyone who had lost their employment continued to receive 70% of their previous income up to a maximum of €350 per week; commercial rates had been waived, VAT rates had been reduced, and grants for business and wage subsidy schemes had also been introduced. He said that the recently introduced budget was expansionary with increases in capital spending with a similar mix of initiatives as was being witnessed across Member Administrations, and across Europe.

An Tánaiste noted that Ireland would remain at Level 5 restrictions for a further four weeks, with a hope to get to a level of 100-200 new cases per day, with the R-rate down to below 0.5, before restrictions were eased. He said that it was clear that when restrictions were eased, the virus would start to circulate again, and the question would arise as to when a third wave, and a third lockdown, would occur. He said that there was evidence that Europe and North America had not handled the situation well, when compared to the pacific region including Australia, New Zealand, Taiwan, Korea and China, which posed questions for what Ireland needed to do better once efforts to curtail the current wave took effect. He said much of this effort would be in relation to Test, Trace and Isolate but thought also needed to be given to border quarantine and international travel. An Tánaiste highlighted that Ireland is linked in with a European Traffic Light System but is also part of the Common Travel Area, and suggested thought might be given to as to what could be done to provide the opportunity for individuals to travel freely across the islands of the British-Irish Council. He said that at the end of the second wave, and as economies began to reopen, this was likely to bring the issue to the fore.

An Tánaiste also spoke about the work underway on a National Economic Plan, would be based on a belief that there would be a Free Trade Agreement deal reached between the UK and the European Union, and that a vaccine would be developed and deployed which would enable the economy to bounce back. He said that about 30% of all money earned in Ireland was currently being saved in bank accounts at present, and it is expected that a major bounce back in consumer spending was likely. Concluding, An Tánaiste said it was important to ensure that the economy post-pandemic was different and that it was green, digital and more inclusive.

The Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, UK Government, highlighted the unprecedented challenge faced by all Member Administrations as a result of Covid-19, as restrictions on liberty and economic life which were deeply painful to have had to be introduced. However, these actions were taken as it had been recognised that the threat of the virus to the lives, health and wellbeing of citizens was so significant. The Chancellor of the Duchy of Lancaster expressed his solidarity with the Government of Ireland, noting that the restrictions put in place in Ireland were very similar to those in place in England, with similar challenges experienced by neighbours in Belgium, France and Germany and elsewhere. It was important that all Member Administrations work to reduce the rate of reinfection and of hospitalisations to ensure that health services were available for those who require them for treatment of both Covid-19 and other conditions. He outlined the steps taken as a result of the scale of economic restrictions, including the extension of the Furlough Scheme, which would ensure workers across the United Kingdom were supported to remain in employment and that businesses were resilient for the challenges ahead.

The Chancellor of the Duchy of Lancaster outlined that the UK Treasury valued the engagement it had with all Administrations in making sure that interventions support business which operate across these islands. He said that vital to success in the future was making sure that the recovery was greener, technologically flexible and agile. In this context, the Government of Ireland's new Programme for Government was welcomed, which commits to tackling Climate Change. He said that the UK Government was committed to working with Ireland on this as a shared agenda. With COP26 taking place in Glasgow in 2021, the Chancellor of the Duchy of Lancaster said he was looking forward to people from across the globe coming together to explore what could be done in order to tackle the challenge of Climate Change. He noted that the discussion paper outlined that Member Administrations were taking a wide range of measures in this area including retrofitting homes, embracing renewable technology, and embracing home working. Building back greener not only meant tackling the issue of Climate Change, but also meant recognising the importance of biodiversity, to ensure that stocks of natural capital were replenished as well as investing in human and physical capital, which was why biodiversity would be a critical theme for the UK's diplomacy over the course of 2021.

The Chancellor of the Duchy of Lancaster concluded by highlighting the digital and technological elements of recovery were absolutely critical, and the UK Government wanted to ensure improved connectivity between business and people across these islands. Critical to this was to continue to invest in science and technology and to have the right regulatory base for growth in this area.

The Rt Hon Alister Jack MP, Secretary of State for Scotland, UK Government, echoed the remark that the devolution settlement was not designed with a pandemic in mind, although the devolution of public health had been respected and that ~~despite some of the stresses and strains,~~ there had been good collaboration in working well together. The UK Treasury had stepped up in providing Furlough support to over 900,000 jobs in Scotland this summer, and by guaranteeing £8.2 billion in Covid-19 related funding to enable the Scottish Government to take the decisions required. The UK Government would be doing all it could to support all Devolved Administrations in moving towards recovery, whenever this was possible.

The Rt Hon Brandon Lewis MP, Secretary of State for Northern Ireland, UK Government, outlined the key economic recovery priorities for Northern Ireland, on which the UK Government was working closely with the Northern Ireland Executive. He said that this partnership approach had been hugely beneficial in recent months, as well as forums such as the quad meetings with the Irish Government and the Northern Ireland Executive, which had ensured that approaches were as joined

up as possible, as well as understanding different perspectives. Looking forward, households and businesses in Northern Ireland would face significant challenges, as they would across the UK. The UK Government firmly believed that Northern Ireland had all the necessary assets to succeed in recovery. The Northern Ireland economy had challenges prior to the arrival of Covid-19, and the recovery phase must be viewed as an opportunity to utilise the talent, skills, entrepreneurial spirit, and world leading sectors including universities, retail and hospitality. He said that there were particular opportunities in Northern Ireland for Climate Change and Cyber, and these had been areas on which close partnership had been pursued with the Irish Government. Every opportunity must be taken to work collaboratively across all Devolved Administrations and with the Irish Government. Initiatives such as the City Growth Deals, and the University in the North West were being delivered in partnership with Northern Ireland, and were important. There were real opportunities in the free ports and the Union Connectivity Review which could contribute towards economic recovery. There was also a potential in research and development in Climate Change and Cyber that Northern Ireland was well placed to take advantage of, for example the Hydrogen hub in Ballymena, driving a clean energy future for Northern Ireland. These opportunities needed to be grasped to promote Northern Ireland as a great place to live and work. He said that it was important to work together with the Northern Ireland Executive, partners across the UK and with the Irish Government, on investment in skills, infrastructure and connectivity to be able to realise the full potential in emerging from the Covid-19 situation.

Rt Hon Mark Drakeford MS, First Minister, Welsh Government, said that the Welsh Government's approach to recovery had been similar to others in that it was focussed on a green recovery, on jobs and rooted in social partnership. As an added distinctive focus, the Welsh Government was also placing an emphasis on the unequal impact of the Covid-19 situation on parts of society. He outlined that the Wellbeing of Future Generations Act required Welsh Ministers to work towards a more equal Wales, and that challenge had become more difficult as the impact of Covid-19 had been to compound and reinforce existing inequalities. The oldest, sickest and poorest population in Wales tended to be concentrated geographically, and the impact of Covid-19 on health and economic terms had had a particularly determinate impact. Black, Asian and Minority Ethnic communities, as well as being at the front line of the health response, also found their economic prospects set back by the impact of Covid-19. He said that young people were at the economic frontline of Covid-19 and that the Welsh Government was trying to create a pathway that deals with those compounded adverse impacts, doing so in the context of the concurrent difficulties of leaving the European Union, which would also pose new and difficult economic challenges.

Ken Skates MS, Minister for Economy, Transport and North Wales, Welsh Government, outlined that the Welsh Government had been in regular contact with other Devolved Administrations to share intelligence, ideas and concerns in relation to Covid-19. He intimated that the Welsh economy had been slightly more resilient than many had expected during the course of the pandemic, in no small part because of the scale of the Welsh Government's interventions, coupled with UK-wide schemes including the Job Retention Scheme and the Self Employment Support Scheme. Unemployment in Wales was 7% lower than the UK average, but this was of little comfort given that GDP in 2020 was expected to be 10% lower than 2019. Significant increases in unemployment, underemployment and economic inactivity were expected, accompanied by more adverse impacts on younger people, older people, people with disabilities, those with poor health and lower skilled individuals. He said that the impact of the UK's departure from the European Union and Covid-19 threatened to reverse the gains made in Wales, which entered the pandemic with a lower unemployment level than the UK average, with a record number of people in work, a record number of active enterprises and with a GVA and household incomes rising faster than the UK average. To minimise this combined threat, the Welsh Government's immediate response amounted to a £2.4 billion package which consisted of a £0.5 billion economic resilience fund which required

businesses drawing down Welsh Government funding to sign up to the economic contract. This represented a new something-for-something relationship between the Welsh Government and businesses to drive inclusive growth and to encourage businesses to invest in the future. Businesses had to demonstrate how they were contributing towards decarbonisation, to increasing skills and improving mental health and resilience in the work place. Businesses must be inclusive and demonstrate sustainable growth, and how they are driving the fair work agenda. As a result of this initiative, over 13,000 additional businesses had signed up to the contract. He outlined that the priority of the Welsh Government for the future was shaped by the Wellbeing of Future Generations Act, and that he would be delivering a statement on Wales' economic recovery and reconstruction later that month. That vision is on a wellbeing economy, that drives inclusive growth, that is environmentally sound, that builds the fabric and confidence on places, and there would be an emphasis on place, people and digital.

The Minister referenced a recently published report by the Resolution Foundation on the Welsh Economy, which found that while geographical inequalities continue to grow across the UK as a whole, those inequalities had shrunk in Wales thanks to a place-based economic development model. This model would support a fair distribution of economic opportunities and would help also in the continued drive for fair work. The Minister also touched on the importance of inter-generational fairness, which would be at the heart of the Welsh Government's actions so that no age group, and in particular the young, paid a disproportionate price.

Rt Hon Arlene Foster MLA, First Minister, Northern Ireland Executive, welcomed the Economic Recovery discussion paper and advised that the Northern Ireland Executive was restored on 11 January 2020 and faced significant challenges, not least, putting in place the *New Decade, New Approach* agreement; planning for the transition of the UK's departure from the EU and in putting in place a new Programme for Government. However, most of the focus of the Northern Ireland Executive this year had been dealing with Covid-19, which had resulted in significant pressures. The Northern Ireland Executive had worked to further these challenges, while also making the necessary economic interventions brought about by Covid-19. The First Minister outlined that the economic support from the UK Government had been important for Northern Ireland, allowing many businesses to survive. She said that the best way for economies to recover was to focus on how to live with Covid-19, taking interventions to control the spread of the virus; making sure that testing and tracking was in place, ensuring that communications strategies were in place, working with sectors to ensure people were able to continue to live their lives in a Covid-secure way and looking forward to the provision of a vaccine. The First Minister indicated that current restrictions in Northern Ireland were due to come to an end the following week. In the longer term, the intended focus was to build on the strengths of the Northern Ireland economy, particularly in areas such as precision engineering, and digital and cyber infrastructure. The First Minister also indicated that she was looking forward to the outcome of the Union Connectivity Review, which was of significant importance due to Northern Ireland's geographic location.

Michelle O'Neill MLA, deputy First Minister, Northern Ireland Executive, indicated that the timing of the Summit was useful as it was important to share experiences and perspectives in responding to Covid-19, which had presented a series of significant choices. She said it was important to keep working to live through the pandemic, and to have a strong economy on the other side. The deputy First Minister indicated that a two islands approach to travel would benefit all. The deputy First Minister welcomed the focus on young people, highlighting positive work undertaken in Northern Ireland on apprenticeship schemes as part of the approach to recovery. In responding to Covid-19, administrations needed to focus on health but also on societal recovery and renewal. The deputy First Minister indicated her concern regarding the impact the pandemic was having on those on lower incomes, and the importance of focussing support on those who experience the greatest

impact. She highlighted that the Northern Ireland's Executive's focus had been on recovery, and at the centre of this approach was need to be an effective Find, Test, Trace and Support system, given that certain people cannot afford to self-isolate. The deputy First Minister indicated resources were key in terms of finding a pathway to recovery, and that one of the key challenges was the limited fiscal powers available in responding to the situation, given that one of the only fiscal responses available to the Northern Ireland Executive was in relation to rates charges.

Diane Dodds MLA, Minister for the Economy, Northern Ireland Executive, outlined the impact of Covid-19 on the Northern Ireland economy. Earlier in the year, it was estimated that the reduction in GVA would be approximately 10%, but with continued restrictions in Quarter 4 of 2020, this was now expected to be much more severe. Much of the progress made in restarting the Northern Ireland economy during the summer months had now halted. In February 2020, Northern Ireland had the lowest unemployment rate of any Member Administration, but this rate had now doubled, with the rise in October 2020 being the largest increase since 2012. The impact of Covid-19 on the economy has been seen in terms of both output and jobs, and this impact had been felt disproportionately by those who were in lower income brackets, on zero hour and part time contracts, women and young people. The Minister for Economy also outlined that, like other Member Administrations, not all sectors had been impacted equally, with the digital sector proving to be resilient and in growth mode, with many employed, and new investments made in recent months. However, sectors such as hospitality and tourism had been hugely impacted, as had the Northern Ireland aerospace industry. Continuing, the Minister for Economy noted that it had been heartening to meet with Spirit who would be taking over from the formally Bombardier-operated plant. The Minister highlighted that the Northern Ireland Executive was very concerned about travel and connectivity, given that Northern Ireland's largest market is Great Britain and indicated that she had recently received a letter from EasyJet outlining that they would be curtailing services throughout the rest of November. She said that to assist young people, the Northern Ireland Executive had launched a number of apprenticeships, and published a Medium Term Recovery Plan which focuses on a green recovery, the digital sector, health and life sciences, and advance manufacturing. Concluding, the Minister outlined the importance of City Growth Deals to the Northern Ireland economy, and noted that the challenges and approach to Covid-19 by many Member Administrations were similar, and that these challenges could be compounded if the end of the UK transition period was not concluded in an orderly manner. It was important to avoid an unhelpful outcome that might lead to, increased prices and less choice in Northern Ireland.

Conor Murphy MLA, Minister of Finance, Northern Ireland Executive, highlighted that much had already been said and that there were significant challenges posed to Northern Ireland in relation to Covid-19 and the UK's departure from the EU. The Minister said that irrespective of the outcome of the ongoing negotiations, the UK's departure from the EU would continue to impact the island of Ireland. The Minister noted the Northern Ireland Executive's appreciation for the support to date from the UK Treasury in terms of additional funds, the introduction of a Jobs Support Scheme, and business loans, but that, at times, the short notice of these supports had not assisted with planning responses. The Minister outlined that unlike Scotland and Wales, Northern Ireland did not have the same fiscal levers available, and that he was in the process of establishing a Fiscal Commission. The Northern Ireland Executive was limited to utilising domestic and commercial rates to support businesses during the course of the year with targeted interventions such as rates holidays. In relation to other supports such as Jobs Support Schemes, the Northern Ireland Executive was very reliant on the UK Government. The Minister indicated his interest in the something-for-something business support scheme presented by Wales, and supported the An Tánaiste's remarks in learning lessons from the current wave of Covid-19, in seeking to protect people and economies of these islands.

Hon Howard Quayle MHK, Chief Minister, Isle of Man Government, highlighted that as coastal nations, Member Administrations were historically braced for storms but that no one could have foreseen the perfect storm brought about in 2020. While Covid-19 had brought significant challenges, the current circumstances on the Isle of Man were different given the island's size and geographical position, and the island had just passed its fifth month with no community Covid-19 cases. The immediate response of the Isle of Man Government had been to protect its people and to keep its essential services running, while also taking steps to protect the economy. The Chief Minister outlined that the Isle of Man economy had been significantly affected by Covid-19, and as Member Administrations started to look to the future, there was a shared vision of a sustainable, fair and more resilient world. The Chief Minister welcomed the extent to which British-Irish Council work sectors had responded to the impact of Covid-19, which he said was truly impressive. The Chief Minister continued that there would be much that Member Administrations could share as they begin to rebuild in the wake of Covid-19 and to safeguard economic recovery it would be important to prioritise the protection and creation of jobs, deliver on the commitment of net zero emissions by 2050, if not earlier, and restore business and consumer confidence. The Chief Minister noted that despite the challenges faced, opportunities had emerged to do things better, particularly in prioritising digital innovation to support economies and in committing to a green recovery by investing in the skills and technology to support this direction. He said that communities across Member Administrations would not emerge unscathed from the current situation and work would be required to heal scars long after the physical threat of the virus had receded, with people's mental health at the forefront of considerations. Communications were key in working towards collective recovery, as administrations could not have achieved what they had without their populations' support.

Hon Alfred Cannan MHK, Minister for the Treasury, Isle of Man Government, outlined the approach taken to protecting the Isle of Man economy, noting that the speed of events in early 2020 saw large parts of the economy close down with little warning. Businesses had to adapt swiftly to address issues related to supply chains, remote working, and the knock-on impact of Covid-19 in other countries. It was clear that the Isle of Man Government would need to provide economic and financial support to prevent a substantial economic downturn. This support was in the form of two primary flagship support mechanisms: a Salary Support Scheme, providing qualifying businesses with £280 per week for full time equivalent employees, whether they were in work or on furlough, and a new welfare benefit of £200 per week for those who were out of work, or unable to work, due to Covid-19. Alongside these schemes, a Business Support Scheme was introduced for the self-employed and for small businesses, and support was provided to hotels and accommodation providers with a specific strategic capacity scheme. The Isle of Man Government also worked with banks to launch the Disruption Loan Guarantee Scheme, offering up to £60 million of new lending to businesses, 80% of which was underwritten by the Isle of Man Government. So far to date, the Isle of Man Government had spent £70 million on direct support packages to protect jobs and businesses.

The Minister highlighted the steps being taken to regenerate the Isle of Man economy, noting that economic modelling indicated that the impact of Covid-19 would be more severe on the economy than the 2008-2009 global recession. In July, a cross-government economic recovery group had been established, alongside a £100 million economic recovery fund to protect jobs, stabilise the economy and invest in the future. This group had initiated infrastructure schemes, creating jobs and employment in construction and associated industries, committed to speeding up investment in high speed fibre internet, and the creation of 1,000 new training and apprenticeship opportunities, and in the longer term, developing a new economic plan for a post Covid-19 context.

Senator John Le Fondré, Chief Minister, Government of Jersey, remarked that the Covid-19 situation meant it was more important than ever that Member Administrations worked together.

The Chief Minister advised that the Government of Jersey's priority had been to preserve the health and wellbeing of all islanders, and that this approach would continue. Jersey had recently launched its new winter strategy, and the Government of Jersey aimed to continue to support islanders to ensure health measures remained proportionate and effective. The Chief Minister outlined the Government was keen to ensure economic recovery was not regarded as a balancing act with health measures – rather it should be regarded as a stage of a more holistic recovery, in which a proactive public health response was at the forefront. The Chief Minister spoke about measures taken by the Government of Jersey in response to Covid-19 to mitigate pressures on economy and to ensure Jersey remains open for business. The focus of this response had been on Lives, Livelihoods and Wellbeing, with each element including a strong economic focus. The Chief Minister noted that given Jersey's geographic location, and with careful planning and good public backing, the island had been spared some of the worst impacts of the pandemic, but as yet had not been immune to virulent or economic effects. He said that much like the impact of the UK's decision to leave the EU, the Covid-19 pandemic had caused a ripple effect touching the lives, businesses, connectivity and ways of working for all islanders. The Chief Minister outlined that Jersey had a slight advantage, given that the island's first Covid-19 case was confirmed approximately two weeks after that in the UK, and as such, Jersey was able to utilise the information to hand.

The Chief Minister indicated that in responding to the crisis in economic terms, the focus of the Government of Jersey had been on supporting business and households, and limiting the damage to the economy. He said that Jersey had followed a slightly different path to other Member Administrations in that, initially, the focus was on social distancing and restrictions while keeping certain elements operational such as garden centres, window cleaners, hospitality and, particularly, outdoor dining. The Chief Minister outlined the immediate economic measures introduced including payroll co-funding representing 80% of individuals' wages up to £1,600 per month, a deferral of goods and services tax, and a £150 million economic stimulus package. This package represented one of the more significant outlays and included efforts to support local island businesses. One particularly effective element had been the provision of a £100 pre-paid geographically limited electronic debit card to every islander. This saw £10 million invested into the local economy in the previous 6 weeks. The card can also be topped up in the future, and so if further economic stimulus is required, this can be done. The Chief Minister also indicated that additional income support of £100 was provided to those on income support and pensioners, and that the Government would be keeping this under review. The Government of Jersey had also prioritised internet connectivity to facilitate working from home, whereby every islander had access to internet speeds of 1GB per second.

Senator Lyndon Farnham, Deputy Chief Minister, Government of Jersey, said that central to the Government of Jersey's strategy in responding to Covid-19 had been the maintenance of lifeline travel links so that islanders could continue to travel off the island for necessary medical treatment, education and professional purposes. The Government of Jersey had chartered additional flights to bring islanders home at the outset of the pandemic. The Government of Jersey also sustained the key tourism sector by opening up in the summer by allowing EasyJet, British Airways and other key airlines to operate to and from the island, supported by the Government of Jersey's border testing and traffic light system. The Deputy Chief Minister advised that the border testing system and the Test, Track, Trace programme had been successful and continued to evolve, and Jersey had been sharing their technology, processes, and experience of working with Microsoft, with other countries looking to implement similar processes. The Deputy Chief Minister said that the economy of Jersey continued to be challenged, but thanks to the systems and processes introduced, it had not been as hard hit as others. The Government of Jersey had introduced a flexible programme of support, and these were kept under review, with the Government adopting them in line with changing circumstances. The Deputy Chief Minister said

that recently produced employment figures showed a considerable reduction in the number of people employed due to businesses restructuring in response to the pandemic, and that unemployment figures were also continuing to reduce, as Jersey usually relied on migrant workers who had departed Jersey. The Deputy Chief Minister concluded by indicating the Government of Jersey's strong support for the Economic Recovery discussion paper which demonstrated the similarities in approaches amongst Member Administrations and also allowed for shared learning from the bespoke approaches that had been adopted.

Deputy Peter Ferbrache, Chief Minister, Government of Guernsey, said that despite being the smallest of the Member Administrations, Guernsey shared the sentiments and much of the substance shared by previous speakers. The Chief Minister outlined that the Government of Guernsey's approach in responding to Covid-19 had been to introduce strict border controls, resulting in the current situation where Alderney and Sark had not had any Covid-19 cases throughout the pandemic, and Guernsey had 12 cases. The Chief Minister said that the economy of Guernsey was fully open with no social distancing, restrictions on businesses, etc. The Chief Minister outlined that severe restrictions had been introduced in relation to individuals entering the bailiwick in that everyone was tested upon entry, with a strict isolation regime. He noted that for three to four months, Guernsey had no cases of Covid-19, and the current situation was that there were a small number of cases, which was being kept under continuous review.

The Chief Minister said that in terms of economic recovery, the focus of the Government of Guernsey would be a recovery which was green and digitally led. At the outset of 2020, the forecast for the economy of Guernsey was optimistic. Unemployment figures had peaked in late May at 5.2% and current figures showed a rate of 1.8%, compared to 1% for the same period in 2019. The Chief Minister outlined that the Government of Guernsey was not complacent given that 41% of the economy of Guernsey was made up of the finance sector which was not currently severely impacted but may begin to feel the after effects of the current situation in the early part of 2021. The Chief Minister highlighted that Guernsey's GVA shrunk by 2.6% in 2008 in response to the global financial crisis and that the latest economic modelling showed that as result of the impact of Covid, GVA was expected to shrink by 5-8% in 2020. He said that Guernsey had introduced active measures to support the economy in assisting businesses and keeping individuals economically active. These measures would be reviewed with further measures to be announced.

The Chief Minister advised that the Guernsey's recently approved recovery strategy *Revive and Thrive* set out a framework for the next 3 years, and that it would be reviewed by the new administration with the ambition of ensuring that the economy of Guernsey bounces back to be stronger than where it currently was. He said that the hospitality and tourism sectors employed a significant number of people and had been most impacted by Covid-19. As a result, these sectors had been heavily subsidised to ensure their survival. He noted that the numbers of people travelling to the island had been minimal, and the state owned airline in Alderney had required substantial support. The Chief Minister indicated that the Government of Guernsey would remain vigilant in relation to Covid-19, with the utmost priority being protecting the people of the bailiwick. He continued that the Government of Guernsey would continue to prioritise projects to support the economy, and that the vision for the future was to capitalise on community engagement and cohesion. The Chief Minister concluded by noting that the pandemic would be with us for years to come, and it was important to live with it as best as possible.

Rt Hon Nicola Sturgeon MSP, First Minister, Scottish Government, concluding the agenda item, spoke about the preoccupation with Covid-19 by all Member Administrations and requested the BIC Secretariat to consider how best the Council could continue discussions on sharing

experiences of Covid-19; the data and science that lies behind approaches being taken, inequalities, and on approaches to travel.

3. LATEST POLITICAL DEVELOPMENTS

Rt Hon Nicola Sturgeon MSP, First Minister, Scottish Government, opened this agenda item by reflecting on the wider political environment collectively faced by Member Administrations, particularly in relation to Covid-19, which would continue to dominate the lives of the people and the politics of these Islands. The First Minister went on to note that in considering economic recovery from Covid-19, some weaknesses of the devolution and financial settlements had been revealed, and echoed earlier points made in relation to fiscal arrangements.

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Michael Russell, Cabinet Secretary for Constitution, Europe and External Affairs, Scottish Government, outlined that in addition to the pressures of impending winter weather, and the associated pressures arising on the economy and the health service, by the economic, human and social pressures of Covid-19, would further exacerbate the situation. This was in addition to the

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The Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, UK Government, noted that the First Minister of Scotland was correct to stress the importance of thinking about resilience

in the broadest sense. The pandemic and climate change had forced all Member Administrations to consider how Governments work and how societies were configured. He said that one of the great challenges over the course of the next decade would be making sure that our societies' economies had resilience hard-wired into them, and the British-Irish Council was one of the best forums for considering that question.

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The Rt Hon Brandon Lewis MP, Secretary of State for Northern Ireland, UK Government, commented that early in the life of the restored Northern Ireland Executive, it had had to respond to Covid-19, working together in the interest of the people in Northern Ireland. He said that the UK Government, the Northern Ireland Executive and the Government of Ireland had been working closely together in facing these challenges.

The Secretary of State for Northern Ireland outlined that in respect of the *New Decade, New Approach* agreement and the political future in Northern Ireland, the second of Joint Board meetings had just been held, and it had been agreed to hold the first implementation review before Christmas. That meeting would assess progress against delivery of the New Decade New Approach commitments. He continued that Covid-19 had had a huge impact on delivery of reforms, but that it was important that all moved forward with their commitments under the agreement, which included commitments on language, culture and identity, as well as measures to ensure the Northern Ireland Executive operated in a transparent and accountable manner, implementing real reforms to ensure the sustainability of Northern Ireland's public spending. In approaching the Centenary of the creation of Northern Ireland, the UK saw this as an opportunity to promote Northern Ireland. He continued that the UK Government recognised that there were sensitivities for some, but that the Centenary was an opportunity to showcase Northern Ireland around the world, as outlined by the Prime Minister during a recent visit to Northern Ireland.

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