



**Note by the Secretariat**

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

**British-Irish Council Secretariat**  
**11 June 2021**

# BIC OFFICIAL-DRAFT

## Present

<b>Scottish Government</b>	
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
<b>Northern Ireland Executive</b>	
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
<b>Welsh Government</b>	
First Minister	Rt Hon Mark Drakeford MS
Minister for Economy, Transport and North Wales	Ken Skates MS
<b>Government of Guernsey</b>	
Chief Minister	Deputy Peter Ferbrache
<b>UK Government</b>	
Chancellor of the Duchy of Lancaster	The Rt Hon Michael Gove MP
Secretary of State for Northern Ireland	The Rt Hon Brandon Lewis CBE MP
Secretary of State for Scotland	The Rt Hon Alister Jack MP
<b>Government of Jersey</b>	
Chief Minister	Senator John Le Fondré
Deputy Chief Minister	Senator Lyndon Farnham
Minister for External Relations	Senator Ian Gorst
<b>Government of Ireland</b>	
An Taoiseach	Micheál Martin T.D.
An Tánaiste	Leo Varadkar T.D.
Minister for Foreign Affairs and Minister for Defence	Simon Coveney T.D.
<b>Isle of Man Government</b>	
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 34<sup>th</sup> 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 advised that the meeting was being recorded to assist the Secretariat and invited 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 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 for the discussion paper, highlighting that it was useful to see the approach taken by all Member Administrations in dealing with the challenges of Covid-19, highlighting that all 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, and that Scotland, like a number of Member Administrations, was living with a range of restrictions. 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, and 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 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 still living through Covid-19, there was a need to look ahead to recovery, indicating 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 looking at 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 addressing the challenge of climate change. Coming out of the current situation, this would be even more important to protect the planet, and 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 specific and targeted measures.

**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 administrations, and through a close and constructive relationship with the UK Government.

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, outlined that the economic intervention throughout the Covid-19 crisis 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. Focus had also been on protecting livelihoods and the incomes and the newly formed Government had 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 to the future. 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 current lack of employment opportunities.

An Taoiseach said that Ireland was currently at Level 5, which essentially closed down a significant portion of the economy. 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 sharing analysis on what works best in terms of human behaviour and enabling economies to function while suppressing the virus. He said that, geographically, Ireland could not pursue a zero-Covid strategy, so the interplay between the virus and the economy would be critical, and while the arrival of a vaccine would assist with these efforts, 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 achieving results. 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, including wage and business subsidies, the waiving of commercial rates and VAT rate reductions. 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, which posed questions for what Ireland needed to do better going forward. 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 these islands.

An Tánaiste also spoke about the work underway on a National Economic Plan, which 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 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, and that it had been necessary to introduce restrictions on liberty and economic life to protect the lives, health and wellbeing of citizens. The Chancellor of the Duchy of Lancaster expressed his solidarity with the Government of Ireland, noting that the restrictions introduced were comparable to those in England, with similar challenges experienced by neighbours in Belgium, France, 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 Covid-19 and other conditions. He outlined the steps taken in response to the scale of economic restrictions, including the extension of the Furlough Scheme, ensuring 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 ensuring that interventions support businesses across these islands. He said it was vital to ensure 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 that 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. The UK Treasury had stepped up in providing Furlough support to over 900,000 jobs in Scotland, 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 CBE 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 Government of Ireland and the Northern Ireland Executive, which had ensured that approaches were as joined up as possible. The UK Government

firmly believed that Northern Ireland had all the necessary assets to succeed in recovery, and this 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 in Climate Change and Cyber, and these had been areas on which close partnership had been pursued with the Government of Ireland. 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. 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 Government of Ireland, 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 expected, in no small part because of the scale of the Welsh Government's interventions, coupled with UK-wide schemes. 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 recent gains made in Wales. 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, creating a new something-for-something relationship to drive inclusive growth and to encourage businesses to invest in the future. He outlined that the priority of the Welsh Government for the future was shaped by the Wellbeing of Future Generations Act, with a vision for a wellbeing-focussed economy that drives inclusive growth, that is environmentally sound, and that builds the fabric and confidence on places, ensuring the importance of inter-generational fairness.

**Rt Hon Arlene Foster MLA, First Minister, Northern Ireland Executive,** welcomed the 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 had been dealing with Covid-19. The First Minister noted that economic support from the UK Government had been important for Northern Ireland, allowing many businesses to survive. She said that the best way to support 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 were available, ensuring that communications strategies were in place, and looking forward to the provision of a vaccine. 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, and that a two islands approach to travel would benefit all. The deputy First Minister welcomed the focus of the discussion paper on young people, highlighting positive work undertaken in Northern Ireland on apprenticeship schemes. 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 on those on lower incomes, and the importance of focussing support to those who experience the greatest impact. She highlighted that the Northern Ireland Executive's focus had been on recovery, and at the centre of this approach would need to be an effective *Find, Test, Trace and Support* system. The deputy First Minister indicated resources were key to find a pathway to recovery, and that one of the key challenges was the limited fiscal powers available, 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. However, sectors such as hospitality and tourism had been hugely impacted, as had the Northern Ireland aerospace industry. 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. 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.

**Conor Murphy MLA, Minister of Finance, Northern Ireland Executive**, highlighted 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 the Northern Ireland Executive was limited to utilising domestic and commercial rates to support businesses with targeted interventions such as rates holidays. The Minister indicated his interest in the something-for-something business support scheme presented by the Welsh Government, 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 circumstances on the Isle of Man were different given the island's size and geographical position, and the Chief Minister noted that 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 it would be important to prioritise the protection and creation of jobs, to deliver on the commitment of net zero emissions by 2050, and to 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. He said that communities across Member Administrations would not emerge unscathed from the current situation and work would be required to address the longer term impact of the virus, with 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 in early 2020. Businesses had to adapt swiftly to address supply chain issues, 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, which took the form of two primary flagship support mechanisms: a Salary Support Scheme, 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 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 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. The Government of Jersey had recently launched its new winter strategy, and aimed to continue to support islanders to ensure health measures remained proportionate and effective. The Chief Minister outlined that 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 which had been focussed on Lives, Livelihoods and Wellbeing, with each element including a strong economic focus. 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 most significant single outlays by the Government in Jersey's history, 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, resulting in an estimated £10 million invested into the local economy in the previous 6 weeks. The Chief Minister also explained that additional income support of £100 was being provided to those on income support and pensioners, the Government of Jersey had also prioritised internet connectivity whereby every islander had been provided upgraded access to internet speeds of a minimum 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 from and to the island for necessary medical treatment, education and professional purposes. The Government of Jersey also prioritised the sustainability of the Island's valued tourism sector by taking a managed approach to the resumption of commercial flights, allowing

certain airlines to operate to and from the island. This decision was supported by the Government of Jersey's broader border testing regime and accompanying traffic light classification system. The Deputy Chief Minister advised that the border testing system and the wider Test, Track, Trace programme had been successful and continued to evolve, and Jersey had been sharing information with other jurisdictions 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, these impacts had been limited in the international context. The Government of Jersey had introduced a flexible programme of support, and these were kept under review, with the Government adapting in line with changing circumstances. The Deputy Chief Minister said that recently produced employment figures showed a reduction in the number of people employed and that unemployment figures were also continuing to reduce, as Jersey usually relied on migrant workers who had since departed Jersey during the pandemic. 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 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 of 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 the islands of Alderney and Sark (independent jurisdictions that together with Guernsey make up the Bailiwick of Guernsey) had not had any Covid-19 cases throughout the pandemic. The Chief Minister said that Guernsey's economy was fully open with no social distancing, restrictions on businesses, etc. and he outlined that strict restrictions had been introduced in relation to individuals entering the Bailiwick, with mandatory quarantine on arrival. He noted that for three to four months, Guernsey had had no cases of Covid-19, and the current situation was that there were a small number of travel related 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 peaked in late May at 5.2% and figures as at 3<sup>rd</sup> October 2020 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 was made up of the finance sector which was not currently severely impacted but may begin to feel an impact 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-19, 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, and these would be constantly reviewed. The Chief Minister advised that 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 before. He said that the hospitality and tourism sectors, which had been particularly impacted, had been heavily subsidised and that the state-owned airline (Aurigny) had required substantial support. 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.

**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 that continued consideration be given as to how best the Council could continue discussions on sharing experiences of Covid-19; the evidence underlying policy responses, the unequal impact of the pandemic, 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, 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. The First Minister mentioned the impact of the outcome of the US Presidential election, COP26, taking place in 2021 in Glasgow, and that climate change would, rightly, again become a priority over the coming period. Continuing, the First Minister identified that the looming end of the transition period of the UK's Departure from the EU was an issue of grave concern, as it remained unknown as to whether there would be a Trade Agreement between the UK and the EU, or, if there was an agreement, how substantial that agreement would be. From a Scottish Government perspective, the First Minister remarked that this would be an additional piece of economic turbulence best avoided.

**Michael Russell, Cabinet Secretary for Constitution, Europe and External Affairs, Scottish Government**, outlined the anticipated pressures of the impending winter weather, and the associated pressures on the economy and the health service by the economic, human and social impacts of Covid-19. This was in addition to the upcoming end of the transition period, which the Scottish Government had hoped would be extended, but noted was not possible. He noted that there remained the prospect of a no-deal Brexit, but that it was extremely important that there would be a deal. He noted that it was unfortunate that the UK Government appeared to be pursuing a poor deal, but that this would remain a better option than no deal. He continued by saying that the Scottish Government would urge the UK Government to conclude the negotiating process without further delay, noting that this was important for all Member Administrations, including Ireland, with the people and businesses of these islands extremely worried by the persistent lack of detail available. The Cabinet Secretary continued by noting that the Internal Markets Bill was concerning on two counts: the unacceptable threat to international law and the threat to devolution. He said that those concerns had been further echoed by a range of bodies not usually engaged with on these matters, e.g. Anglican Primates and the Scotland's General Teaching Council, and noted the very strong condemnation by the House of Lords of the impact of the Bill on devolution. He continued that it was not too late for certain clauses of the Bill to be removed, and for a sensible conversation on how administrations work together in a voluntary way through the common frameworks in place. He highlighted that these major issues would be faced in the context of a difficult winter, and action should be pursued that mitigates some of those challenges, noting that the UK Government had a particular obligation to do so.

**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 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. The Chancellor of the Duchy of Lancaster noted that on the related issues of the negotiations between the UK Government and the EU, and the discussions with the European Commission on the implementation of the Northern Ireland protocol, it was important to look at each individual strand to understand the challenges and opportunities. The negotiations between the UK Government and the EU had been intensified, following-on from the last European Council, where the President of the Council had refrained from endorsing an initial position of intensification. He continued that this had meant that Michel Barnier and Lord Frost had been meeting on an almost daily basis and would be meeting again the following week. It had been well known that the remaining sticking points were an understanding of how exactly the level playing field issues and the non-aggression issues would be agreed, governance of the agreement, and fisheries.

On the level playing field, the Chancellor of the Duchy of Lancaster outlined the UK Government position was that the UK had consistently had higher standards than those required or mandated by the EU in many areas, including in environmental protection and animal welfare. He noted that in recent discussions, for example with the reform of the Common Agricultural Policy, there had been great leadership shown by the EU in moving towards a greater emphasis on using agricultural subsidies to support environmental goals, but it was

still the case that the UK Government, in all of its jurisdictions, was showing greater ambition in those areas. On the basis that actions were the best guide to future behaviour, the UK would argue that the high standards maintained were a clear sign of the future trajectory that the UK would undertake in this area. He continued that it was, of course, important to have architecture in place so that both sides could be reassured in the future, and that there was both goodwill and a landing zone in that area at present.

The Chancellor of the Duchy of Lancaster continued that a more difficult area in negotiations was fisheries, which matters to all BIC Member Administrations. The UK Government wanted to ensure that it had a sustainable approach to resolving this issue, and the UK needed to be able to operate as an independent coastal state in the way that Norway, the Faroe Islands, Iceland and others do. As an independent coastal state, it was absolutely critical to work with all neighbours to make sure that shared stocks were managed in a sustainable way and to make sure there was a shared approach to marine protected areas and the approach towards the replenishment of natural capital in our seas, that environmentalists had been arguing for some time now. He said that a resolution was necessary, that this area had been proving one of the most difficult in the negotiations, but that he was hopeful and optimistic that progress could be made in the days ahead.

The Chancellor of the Duchy of Lancaster said that the Northern Ireland Protocol was a key part of the withdrawal agreement and that he had been working with Maroš Šefčovič, Vice-President of the EU Commission to make progress in that area. He said that those who attended the last Joint Committee meeting would agree that Vice-President Šefčovič was a pragmatic and flexible negotiator on behalf of the Commission, who was determined to do the very best for the people of Northern Ireland and the people of the island of Ireland as a whole. The Chancellor of the Duchy of Lancaster noted the recent communication from the First Minister and deputy First Minister of Northern Ireland in relation to potential measures that could be taken by the Commission to ensure that commercial activity in Northern Ireland was not unnecessarily disrupted. He said that it was important to recognise that the Northern Ireland Protocol was in place to affirm the commitment of the UK Government to upholding the Belfast Agreement, and ensuring that the Single Market, of which Ireland remains an important part within the EU, was protected. He continued that it was important to ensure that there was unfettered access for Northern Ireland's citizens and goods to the rest of the UK, as an integral part of the UK and its customs territory. He continued that the UK Government also wanted to ensure that Ireland's partners in the EU could be absolutely assured that the UK was doing everything necessary to ensure that Ireland remained an integral, effective and central part of the Single Market, which was why checks were being put in place in relation to Sanitary and Phytosanitary rules, and other criteria, which whilst not popular with some, were a clear indication of the UK's intention to keep its word and to ensure that the Northern Ireland Protocol was implemented in a way that was consistent with the clearly expressed wishes of the people of Northern Ireland. The Chancellor of the Duchy of Lancaster concluded by outlining his readiness to continue to engage through various fora, and that he hoped progress would continue to provide a new opportunity for a new and refreshed partnership amongst the Member Administrations.

**The Rt Hon Brandon Lewis CBE 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 been held, and it had been agreed to hold the first implementation review before Christmas, assessing 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. Recognising that there were sensitivities for some, the UK Government hoped to ensure the Northern Ireland centenary commemorations were an opportunity to showcase Northern Ireland around the world in a respectful and inclusive manner, as outlined by the Prime Minister during a recent visit to Northern Ireland.

**Micheál Martin T.D., An Taoiseach, Government of Ireland**, outlined the Shared Ireland initiative launched by the Government of Ireland to create a new dialogue and commission research on a shared island of Ireland in the future. The initiative would provide an opportunity for new voices, communities and people of different traditions, irrespective of their constitutional perspective, to engage on the shared future. The initiative would look at challenges such as climate change, enhanced cooperation on health and education, and also to follow through on commitments within the *New Decade, New Approach* Agreement, towards which a ring-fenced fund of €500,000 had been allocated. An Taoiseach said that the Shared Island initiative was rooted in the Good Friday Agreement, and in that context, Ireland would welcome engagement from all BIC Member Administrations. He welcomed the UK Prime Minister's support and commitment to move this agenda forward. An Taoiseach outlined that the European Council meeting of 15 October 2020 reflected upon increased incidence of Covid-19 across Europe. The meeting focussed on travel, vaccine development and procurement, and testing and tracing, and suggested that the BIC might examine how antigen testing could be validated for travel. An Taoiseach said that the European Council had also discussed climate change, and he acknowledged that the UK had a consistent record on Environmental issues and climate change.

An Taoiseach highlighted that the ongoing talks on the future relationship between the EU and the UK were important, noting that 8 weeks remained until the end of the transition period. He said the negative impact of Covid-19 would be felt by the economies of all Member Administrations and that, irrespective of positions, the UK's departure from the EU would also have significant challenges for these economies. He said that the populations that Heads of Administration represented cannot experience another seismic shock in addition to Covid-19, and that it was important for all to avoid a "No Deal" departure for the UK from the EU, stating that this would be unacceptable and there would be no winners in that situation. He said there was a clear and sincere commitment on the part of the EU to get an agreement, to preserve peace on the island of Ireland and for a constructive relationship between the UK and the EU in the future. In relation to discussions on a level playing field, An Taoiseach welcomed the fact that there appears to be some visibility around a landing zone. He noted that fisheries remains to be a significant issue and that while this was an important issue for Ireland, it was important that there was an outcome that was sustainable. He welcomed the potential opportunity of working together with the UK on Marine Protected Areas and making a contribution to the biodiversity and climate change agendas. He said that there was an opportunity to get an agreement, noting the intensification in recent weeks. An Taoiseach, in concluding, noted that there had been good discussions with the UK Government on the future Ireland-UK relationship, looking at structures and relationships after the end of the transition period but that a comprehensive UK-EU trade deal would be important, sensible, and something all should strive to achieve.

**Simon Coveney T.D., Minister for Foreign Affairs and Minister for Defence**, remarked that he hoped others would respond positively to the Shared Island Initiative launched by An Taoiseach. He said that the issue of a level playing field was key to ongoing negotiations, including fair competition and governance for potential dispute resolution, and was an important part of concluding negotiations from an EU perspective. On fishing, he said little progress had been made and that both sides remained quite far apart in terms of aspirations of what was possible, and he hoped there would be a way to close that gap in terms of a final deal. The Minister said that 2020 had placed significant strain on public health, societies and economies, and that as the end of the year was approaching, there was still a significant amount of work to do on both the implementation of what had already been agreed in the context of the Northern Ireland Protocol and in finding agreement on the future relationship between the UK and the EU. He said that he appreciated the good working relationship between the Chancellor of the Duchy of Lancaster and Vice-President Šefčovič, and that both were approaching negotiations in a pragmatic way to address what were genuine issues for businesses and the people of Northern Ireland, Ireland and the UK in relation to VAT and customs, medicines, the Single Energy Market, infrastructure, supermarket supply chain and country of origin issues. He said that Ireland would approach these discussions in a constructive manner, through the Joint Committee and the Specialised Committee, and he hoped that, in the short time available, an agreement on a future relationship would be reached that involves a basic trade agreement, which avoids tariffs and quotas, and deals with a range of matters such as aviation, road haulage, judicial cooperation, energy, etc. He said he also hoped that the Northern Ireland Protocol could be implemented in full, as per legal obligations.

**Rt Hon Arlene Foster MLA, First Minister, Northern Ireland Executive**, indicated that she agreed with the comments of the Secretary of State for Northern Ireland on the *New Decade, New Approach* agreement and

on the marking of the Centenary of Northern Ireland in 2021. She outlined that the five parties of the Northern Ireland Executive had different views on the result of the 2016 EU Referendum, but do share an aspiration and determination to reach an outcome in ongoing negotiations that was favourable for Northern Ireland. In that respect, the long term outcome for the Northern Ireland economy would depend on two aspects: the practicalities of the trading relationship with Great Britain as the largest destination for Northern Ireland goods, and the final relationship between the UK and the EU. On this, it was vital there was a joined-up approach and interdependency between the wider negotiations and the implementation of the Northern Ireland Protocol. The First Minister outlined that a letter had issued from herself and the deputy First Minister to the Vice President of the European Commission to point out the commercial lives of people on the island of Ireland should not be interfered with in a disproportionate way and unnecessary barriers should not be established, and that the Northern Ireland Executive would continue to work with colleagues on that goal.

**Michelle O'Neill MLA, deputy First Minister, Northern Ireland Executive**, said that the common theme on many aspects of the meeting's discussions had been on relationships, and highlighted that relationships both North-South and East-West were crucially important, interlinked and interdependent. She said that the *New Decade, New Approach* agreement had provided the political basis to restore the Northern Ireland Executive and Assembly, and that the pandemic had been a baptism of fire. The agreement provided a basis for political relationships to be forged again, and it was important that everything that had been painstakingly negotiated over many years, needed to be implemented in full. She intimated that the co-guarantors of the Good Friday Agreement needed to nurture the peace agreement, and subsequent agreements, including *New Decade, New Approach*. The deputy First Minister welcomed the comments of An Taoiseach on the Shared Island Initiative and that if administrations were to look towards the future it would be important to continue these discussions in an inclusive manner. She said she welcomed the progress on EU-UK negotiations but that time was running out. The majority of parties in the Northern Ireland Assembly and Executive was opposed to the UK's departure from the EU, but that the agreed Northern Ireland Protocol must be implemented in full.

**Rt Hon Mark Drakeford MS, First Minister, Welsh Government**, said there was an urgent necessity for a deal as the end of the transition period approached, and that that there was everything to lose and nothing to gain by leaving the EU without a deal. Even if there was a deal, this would only be a starting point, and it was disappointing that the Welsh Government had not succeeded in convincing the UK Government to support inter-territorial cooperation programmes as part of an agreement, given their significance for Wales-Ireland relations. The First Minister said he was glad to hear An Taoiseach's reference to further work on future relationships between the UK and Ireland. He said that the UK's departure from the EU does not leave the internal relationships of the UK's relations untouched, and echoed the Scottish Cabinet Secretary's remarks on the Internal Market Bill, noting that without amendment, the Bill would not secure a majority on a legislative consent motion in the Welsh Senedd, and that there would be serious consequences if that decision was not respected by the UK Government. The First Minister said that it was important to have much better inter-governmental machinery to sustain the United Kingdom, and that machinery was, in many ways, pre-configured in the way the British-Irish Council operates, with an independent Secretariat, agreed work programmes, regular meetings, and chaired on a rotational basis with parity of participation. He said that at the last meeting of the British-Irish Council, Heads of Administration agreed to develop the Council further, making it a stronger part of inter-government relationships across these islands, and it was important to see this commitment replicated and made relevant to the way in which the UK was able to withstand the political crises of Covid-19 and climate change, and the upcoming end of the transition period.

**Deputy Peter Ferbrache, Chief Minister, Government of Guernsey**, said that he was very concerned about the risk of a 'no-deal' outcome at the end of the transition period, which would not be in Guernsey's interests, but for which Guernsey was prepared, if necessary. Any negotiated outcome between the UK and EU must protect the trading arrangements and the centuries old constitutional relationship between the Bailiwick of Guernsey and the Crown. The size of the economy of Guernsey is small and any deal must be practical, proportionate and relevant to this. The UK had been representing Guernsey's interests in these discussions. Guernsey has had a relationship with the British Crown for eight centuries, and that the autonomy of Guernsey to pass its own legislation must be respected. He said that Guernsey would continue to work collaboratively with the UK, in line with the International Identity Framework, agreed between the parties 12 years ago. However, recently, despite the expressed disagreement by Guernsey, at a late stage,

a permissive extent clause was included in the UK Fisheries Bill. He said the UK had outlined that the inclusion of this clause was to facilitate the implementation of certain international obligations related to fisheries, where needed. He said that if this clause was included in the final law, any attempt by the UK to utilise this clause in the future without the consent of Guernsey, would be contrary to the constitutional relationship between Guernsey and the Crown. He highlighted that, as all administrations move towards a new relationship between the UK and EU, it was important that existing constitutional arrangements were respected, and that the UK would have regard to the will of Guernsey on this matter.

**Senator John Le Fondré, Chief Minister, Government of Jersey**, said that Jersey was maintaining evolving readiness plans with close engagement with the UK Government, especially in relation to vaccines and supportive medicines. He said that Jersey was pleased to have been able to remain open for business and that he believes they had the measures in place to protect the wellbeing of the island and the economy. The Chief Minister outlined that the onset of winter had focussed minds on Covid-19 response, but also highlighted the increasing urgency to clarify Jersey's relationship with the EU, which would be impacted directly by the ongoing negotiations between the EU and the UK. Jersey warmly welcomed the resumption of negotiations following the European Council meeting in October, but remained alert to the tightening timescales. He said he was pleased to report that engagement between the UK and Jersey remained strong and proactive at official and political levels, and UK negotiators understood Jersey's priorities to maintain, as far as possible, the fundamentals of trading relationships with the UK and the EU. The representation of Jersey's interests in good faith by the UK also spoke of ongoing issues in relation to the UK Fisheries Bill and similar to Guernsey, Jersey had made its position clear in relation to the permissive extent clause, which could seek to extend elements of the Bill to the Crown Dependencies, and which was clearly constitutionally inappropriate from Jersey's perspective. The Chief Minister said Jersey had made clear that this inclusion was considered unnecessary, and that he was very pleased to be able to engage constructively with the UK Government in the hope of resolving these concerns.

**Hon Howard Quayle MHK, Chief Minister, Isle of Man Government**, began by outlining that prior to March, all Member Administrations would have agreed that the UK's Withdrawal from the EU was the most fundamental issue faced by all. He continued that the impact of the UK's departure from the EU would be significant for the Isle of Man, and it was clear that there would be further challenges ahead. The Chief Minister outlined the focus of the Island's preparations which sought to ensure a high degree of readiness in relation to planning, legislation and communication, but also to retain good relations with all members of the British-Irish family. He continued that he hoped that the end of the transition period would bring a degree of certainty. The Chief Minister highlighted that the freedom to move between administrations for work, travel, study, etc. was a cornerstone of the British-Irish Council, and he echoed previous comments on the need for continued discussions on travel. While attention had been elsewhere in recent months, the Isle of Man's commitment to leaving a cleaner, greener world for future generations was one that must not be lost sight of. The Isle of Man could not match the scale of some projects being undertaken by some other Member Administrations, but the approach taken was innovative, and initiatives such as restoring and expanding reed grass beds to capture carbon, and providing incentives to home owners to increase energy efficiency were examples of how the Isle of Man Government was working positively with the community to make a difference. The Chief Minister closed by observing that, at times, Member Administrations would be in competition and would have differing views but it was important to recall that all were united in the vision for the future. To achieve this, Member Administrations must continue talking, sharing and learning from each other.

**Rt Hon Nicola Sturgeon MSP, First Minister, Scottish Government**, thanked all Member Administrations for their contributions which illustrated the scale of the challenges faced, and the importance of ongoing discussion, dialogue and cooperation. The First Minister noted that a common theme amongst many Member Administrations was a concern in relation to legislation proposed by the UK Government.

#### **4. Ongoing Work of the Council**

Given time considerations, Heads of Administration agreed to note and approve the Ongoing Work of the Council paper without discussion.

**5. Minutes from the Previous BIC Summit**

The Council approved the minutes of the 33<sup>rd</sup> Summit held on Friday 15 November 2019 hosted in Ireland by the Government of Ireland.

**6. Secretariat Mid-Year Report**

The Council accepted and approved the Secretariat's Mid-Year and End-of-Year reports.

**7. Date and Location of the Next BIC Summit**

The First Minister of Northern Ireland confirmed that the next British-Irish Council Summit would be hosted by the Northern Ireland Executive in June 2021.

**8. Any Other Business**

There was no other business.

**9. Draft Communiqué**

The Communiqué as drafted was approved.

**Rt Hon Nicola Sturgeon MSP, First Minister, Scottish Government**, concluded the Summit by thanking all Heads of Administration and their accompanying Ministers for their attendance and all officials for ensuring that the meeting ran so efficiently.