

**STATEMENT TO BE MADE BY THE CHIEF MINISTER
ON TUESDAY 17TH JANUARY 2017**

The UK Prime Minister's Lancaster House Speech on Brexit, 17 January 2017

As Members will be aware, the UK Prime Minister today outlined her objectives for the UK's new relationship with the European Union after UK withdrawal. She said that the UK Government would seek a new, positive and constructive partnership with EU, which would involve a new customs agreement with the EU that removes as many barriers to trade as is possible, and which gives the UK the ability to enter into new trade agreements. The UK Prime Minister said that an ambitious free trade agreement could not, however, mean membership of the European Single Market.

Members will recall that on 27th June 2016, shortly after the UK referendum on membership of the European Union, the Government of Jersey issued a report setting out our broad objectives with regard to our own future relationships with the UK and the EU. Since that time, we have been working closely with the UK Government to ensure that our interests are fully understood and taken into account.

Our primary objective was identified as preserving the substance of our relationship with the UK, and Prime Minister May today said that she wanted no barrier to doing business in the United Kingdom. Our monetary and customs union with the UK, which underpins our prosperity, was not questioned. Indeed, I particularly welcome the Prime Minister's confirmation today that preservation of the Common Travel Area – which gives us our ability to travel without restrictions to the UK - is also a priority for the UK.

Prime Minister May made clear this morning the UK's desire to guarantee the rights of EU citizens in Britain and British nationals in EU Member States as the right and fair thing to do, referring also to broad support for this amongst European partners. I am therefore hopeful that a way forward on this issue can be found.

Prime Minister May emphasised the importance of future trade both with the European Union and with the Rest of the World. She will seek some form of customs agreement with the EU. Such an agreement would, of course, be of interest to Jersey. This will of course, be a matter for negotiation and I therefore believe that, as a matter of prudence, the Government of Jersey should plan on the basis that tariffs and non-tariff requirements could be a feature of Jersey's trade in goods and agricultural products with the EU 27 after Brexit.

We will continue our work with the UK to ensure that, as they pursue the widest agreement possible with the EU - including the phased transitional deal that allows for the implementation of different aspects of Brexit - we are able to access that agreement where it is advantageous for us to do so.

I conclude by reaffirming that the Government of Jersey will continue to work tirelessly to secure the best possible outcome for Jersey in the Brexit negotiations.

