



UKOTA Annual Report to Political Council

15th November 2021

Prepared by the Association

Chair: Kimberley Durrant

Bermuda Government Office, 6 Arlington Street, London SW1A 1RE

UKOTA Secretariat: secretariat@ukota.org

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Introduction

The United Kingdom Overseas Association (UKOTA) was founded in 1994 and exists to promote both the interests of the Territories and cooperation between them, whilst also working to ensure good collective and individual relationships between Territories and the United Kingdom Government. The Association's work is governed by regular meetings of the Representatives of the Overseas Territories who are based in the United Kingdom.

The head of the Government of the Chairman of the Association is the President of the Political Council and the President of the Association. With the appointment of Bermuda as Chairman, **The Hon David E. Burt JP, MP** is the President of the Political Council. The Political Council is the highest body of the Association, consisting of the individual representatives of each Member Government, which sets the policies of the Association and approves the decisions requiring its approval. All prerogatives necessary to the achievement of the Association's aims are vested in the Political Council.

Full Members are represented in the bodies of the Association by individuals duly appointed by their Governments to represent their interest in the United Kingdom, referred to as UK Representatives.

Treasurer:

The updated constitution adopted in May by Political Council means that UKOTA is currently in a 13-month financial year that will end on 31 December. It began with a balance of circa £22k and is expected to conclude with a balance of circa £19k. All Territories' subscription payments are up to date. The main items of expenditure were the secretariat and support for the delegates attending COP26.

Mission Statement

The Association exists to advance the interests of the United Kingdom Overseas Territories, facilitate co-operation between them and promote solidarity. The Association demonstrates the collective partnership between the Territories and HM Government of the United Kingdom.

The Annual General Meeting and Secretariat

UKOTA's Annual General Meeting was held virtually on Thursday 14th of January 2021

Chairman: Kimberley Durrant, UK Representative for the Government of Bermuda

Honorary Secretary: Tracy Knight, UK Representative for the Government of Turks and Caicos Island

Hon. Treasurer: Chris Carnegy, UK Representative for the Government of Tristan da Cunha

Secretariat: Karen Mentiplay

The Work of UKOTA

Financial Services Sub-Committee:

July 26th, 2021 the OT Minister's with responsibility for Financial Services met virtually to discuss Global Minimum Corporate Tax, OECD Inclusive Framework, and Beneficial Ownership.

The meeting was chaired by **the Hon. André Ebanks, Minister for Financial Services & Commerce (Cayman Islands)**. Areas addressed were as follows:

- **Global Minimum Tax, Including OECD Framework**

The consensus was that the initiative was supported in principle, but that there were concerns regarding the specifics. There was support in the initiative for some carve outs, but there was concern that these didn't take in account smaller economies and service-based economies like that of the OTs. There was also a concern with the formulaic definition that is being used in regards to economic substance.

- **Beneficial Ownership**

The Overseas Territories are in different stages in terms of developing their infrastructure to comply with the requirements for BO, and in that the opportunity exists for support and collaboration across the OTs as each OT continues to make advancements in this area. Concerns were shared regarding: (1) what is meant by a public framework for disclosure; and (2) the proposed increased scope. It was noted that the FATF is in the process of revising its standards in relation to BO.

The Chair noted that the OTs are stronger together; the more the technical teams work together and advocate together the stronger the OTs will be. He further noted that the OTs have a better chance of support from the UK if they present as a collective rather than as individual OTs.

- **Outcome of discussion**

Since this meeting, the technical teams of a number of OTs have engaged with each other for the purpose of sharing intelligence and supporting each other in their respective efforts.

Environment Sub-Committee

Virtual meetings were held throughout the year. Representatives from the Joint Nature Conservation Committee (JNCC) gave presentations on the process for developing K3 Indicators for the 25Year Environment Plan (25YEP), their experience of attending previous UNFCCC COPs, and their work with the Overseas Territories (OTs).

Jonathan Hall RSPB provided updates on his secondment to the Greenfund Network which has resulted in the launch of the UK OTs Collaborative Fund in September <https://ellerman.org.uk/apply-for-funding/uk-overseas-territories-fund>

The Marine Climate Change Impacts Partnership (MCCIP) gave a presentation on the work looking at marine climate change impacts in the OTs. MCCIP working closely with the Overseas Territories published the first comprehensive assessment of climate change impacts on coasts and seas across the UKOTs via six regional record cards. There was a joint MCCIP, HMG and

UKOTA launch on 21 July 2021. The UK Representative for St Helena was part of the MCCIP Overseas Working Group.

The Marine Conservation Society (MCS) also gave a presentation on their work in the Overseas Territories.

Worked continued with DEFRA including two Roundtables related to Darwin Plus funding.

COP 26 Glasgow

The United Kingdom Overseas Territories Association (UKOTA) was the convening body for all fourteen Overseas Territories for the purpose of representation at COP 26.

This year Overseas Territories achieved a significant visibility at COP with the allocation of 7 delegates to the UK Delegation Overflow, 6 delegates to attend the Day Pass on Nature Day and an Overseas Territory roundtable event at the UK Pavilion entitled 'Our Vision For Healthy Oceans' featuring a UKOTA showcasing the impact of Climate Change on the Overseas Territories.

Our key message at COP focused upon Governments of the UK's Overseas Territories are custodians of internationally important habitats which span the globe; from the Antarctic to the Caribbean, the Indian Ocean to the Pacific. All Territories are on the front line of the impact of climate change as vulnerable small island states. Overseas Territory Governments are at the forefront of work on renewable energy, nature-based solutions; adaptation and resilience, ocean protection, and (with global leadership in catastrophic risk reinsurance) climate finance.

Together the Territories represent the world's sixth largest marine estate and 94% of the UK's biodiversity. They are vital to the UK meeting its pledge by 2030 to protect 30% of the world's oceans.

It is our ambition to maintain or increase this level of representation at future COP.

PR Sub-Committee

For the first time, the UKOTA website offers a series of agreed statements on matters of common interest across all OTs. These cover topics ranging from the significance of our precious environments to the importance of respecting our democracies.

The *UK Overseas Territories* Newsletter was published twice during the year; once in February in online and pdf format, and again in September which also saw a printed version distributed at UK party conferences and via a refreshed mailing list. The second edition led with a powerful appeal for a strong UKOT presence at COP26, which was subsequently achieved.

Trade Sub-Committee

Following EU Exit, the UK Government is in the process of negotiating Free Trade Agreements (FTAs) with a number of countries around the world. In each of these negotiations, the UK will seek to have an extension mechanism included in the final agreement. If an extension mechanism is included then there is the potential to have the FTA extended to the Overseas Territories, subject to the agreement of the country concerned.

The lead department within UKG is the Department for International Trade and the official with responsibility for the Overseas Territories is Rachel Wilkinson.

If an Overseas Territory is interested in a particular FTA then they should contact Rachel, providing details of the products/services that they wish to trade. DIT will then produce a report looking at what the Overseas Territory currently exports, what tariffs are currently paid, and how the FTA would impact this and over what period. The Overseas Territory is then able to have an informed discussion about the FTA and undertake a cost benefit analysis. If the Overseas Territory concludes that they would like to have the FTA extended to them then they would notify Rachel and DIT would seek to have the FTA extended. There is no guarantee that an extension would be granted as the other party to the FTA may not wish to have it extended to a particular Overseas Territory.

Given this new development and the need to develop a mechanism to discuss UK OT issues relating to trade with the EU, it was decided to establish a new trade sub-committee within UKOTA.

Whilst DIT is responsible for rest of the world FTAs, trade with the EU is still the responsibility of the FCDO. It was agreed that we should invite Rachel Wilkinson and the relevant official from the FCDO to come to a general UKOTA meeting, post JMC, to provide us with a general update and then to answer questions. Following this, we would hold another trade sub-committee meeting to decide a structure for the work of the sub-committee going forward.

Consular Affairs Working Group:

The main issue is managing on passports and immigration. UK Representatives held a consultation under the New Plan for Immigration and Nationality. It was agreed that moving forward regular consultations will be held between Home Office officials and UK Representatives on the issues of passports and nationality. Regular meetings were held with Consular Officers across the offices of Overseas Territories to share best practice in dealing with pertinent matters pertaining to OT students and the diaspora. This included areas such as allocation of Home Fees, accommodation, access to National Insurance, immediate crisis situations.

Mental Health Working Group:

The first Mental Health webinars organised by UKOTA supported by Ian Walker, PHE and FCDO took place in December 2020. Feedback from participants in the OTs identified the areas they would like covered in future webinars. As a result, a webinar was held in June 2021 on the topic of “Children and Young Peoples Mental Health” which brought together over 100 people from the territories. The next webinar will take place in March 2021 and will focus on Mental Health in the Workplace.

Relationship with Overseas Countries & Territories Association (OCTA)

As a result of the UK's Departure from the European Union, UK Territories are no longer members of the EU's Overseas Countries & Territories Association (OCTA), however a new form of relationship has been established.

An extraordinary meeting was called on 24th June under the Chairmanship of New Caledonia for the formalization of the withdrawal of the 9 UK territories¹ from OCTA's membership and the establishment of a new framework of cooperation, detailed in a Memorandum of Understanding between OCTA and the United Kingdom Overseas Territories Association (UKOTA).

The MoU will enable cooperation on issues of common interest such as post Covid-19 economic recovery, climate change, biodiversity, oceans and sustainable energy. Regional cooperation in accordance with the Overseas Association Decision including Greenland, and the implementation of European Development Fund (EDF) projects where UK OT are involved are also part of the priorities outlined in the MoU.

New Plan for Immigration and Nationality - Borders Bill

UKOTA was instrumental in the consultation of the development on the British Nationality Law on the discrimination against illegitimate children of BOTC parents. The Home Secretary issued consultation from the 24th March.

Parliamentary Affairs

- **UKOT Project Management Board** – The Chair of UKOTA is required to sit on the UKOT Project Management Board to ensure representation from Governments of the Overseas Territories. The purpose of the Project Management Board (PMB) is to provide strategic oversight and advisory support to the delivery of the UK Overseas Territories Project – Phase II (UKOTP – Phase II). Funded by the Foreign and Commonwealth Office (FCO), the Project is managed and delivered by the Commonwealth Parliamentary Association UK Branch (CPA UK) as the lead agency, in consortium with the UK National Audit Office (NAO) and the Government Internal Audit Agency (GIAA).
Membership of PMB
 - One member of the House of Lords acting as Chair/Vice Chair of the Board
 - One member of the House of Commons acting as Vice-Chair/Chair of the Board
 - The CPA UK Chief Executive
 - The Chair of the UK Overseas Territories Association (UKOTA)
 - A representative of the FCO: the CSSF Governance Programme Manager, Overseas Territories Directorate (donor)

- **Engagement with the Speaker of House** – UKOTA has lead the initiative to develop and foster stronger links with the Office of the Speaker of the House. This has included regular meetings with the staff of Speaker of the House; the Speaker recognising each National Day of the Overseas Territories by formally accepting a flag of each Territory which flies in Parliament on the Territories' respected National Day. In addition the Speaker has ensured that Territories are included in all levels of engagement where there is representation from Commonwealth Countries, this includes increasing the level of Representatives' being welcomed in Parliament at Ambassador level. We have welcomed the initiative by the Speaker to begin an annual conference amongst Speakers of the House across the Overseas Territories.

¹ Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Falkland Islands, Montserrat, Pitcairn Islands, Saint Helena Ascension and Tristan da Cunha, Turks & Caicos Islands

Acknowledgment

The Chairman wishes to acknowledge the support of all Members in working together during a challenging year for our Territories.