

UK's independent seat at WTO to include Channel Islands

The Channel Islands will benefit from the UK's independent membership of the WTO after Brexit, the government confirmed today. Trade Policy Minister, Conor Burns, agreed the extension with Deputy Gavin St Pier, Guernsey's Chief Minister, and Senator Ian Gorst, Jersey's Minister for External Relations at a meeting in London.

This decision will take effect as soon as the UK leaves the EU and takes up its independent representation at the WTO. In the event of a no deal EU exit on 31 October, the UK would take up its independent representation on 1 November.

The UK is currently finalising preparations to take up its independent representation of the World Trade Organization (WTO), taking back control of its trade policy for the first time in 46 years, as we get ready for Brexit on 31 October.

Following the vote to leave the EU, Jersey and Guernsey requested that the UK's WTO membership be extended to them. They are currently covered by the EU's membership.

The Channel Islands are dependencies of the Crown, and under international law they are territories for which the UK is responsible. Remaining part of the international trading system will mean that the Channel Islands continue to benefit from Most Favoured Nation (MFN) tariff rates with their international trading partners.

This will help thriving Channel Islands businesses in industries such as dairy to remain competitive. For example, nearly 14 million litres of milk are produced in Jersey every year. Jersey Dairy exports ice cream, butter and UHT milk products to countries including Japan, China and South Korea, and will benefit from the certainty of MFN tariffs for global trade as well as inclusion within the UK's trade continuity agreements. This will also ensure businesses cannot be subject to any discriminatory practices when operating internationally.

Multinationals based in the Channel Islands, such as Specsavers (founded in Guernsey), which currently operates throughout the EU and Australasia, will also feel these benefits. Extending WTO membership to the Channel Islands also provides international businesses with security of access to Channel Island services and goods.

Welcoming the extension, International Trade Secretary Liz Truss said:

Britain is on the verge of taking back control of our trade policy for the first time in 46 years. That means our own independent seat at the World Trade Organization and I am delighted we will soon

extend our membership to include the Channel Islands.

This is an important step that provides continuity for the businesses and consumers of the Channel Islands and reaffirms the UK's commitment to preserving and advancing the global trading system in the face of rising protectionism.

Deputy Gavin St Pier, Chief Minister of Guernsey said:

I am delighted to have today received confirmation from the Department for International Trade that an Instrument has been deposited at the WTO, advising members that the UK is extending the territorial scope of its WTO membership to the Bailiwick of Guernsey.

Extending the UK's WTO membership will play an important role in the future of the Bailiwick's trading relationships with other jurisdictions. This has been a strategic issue for us as part of our Brexit planning and risk mitigation. Securing the extension will provide Bailiwick companies with access to global rules on the trade in goods, services and IP with other WTO members, including EU Member States and the majority of countries worldwide. This is particularly important to provide certainty for business should the UK leave the EU in a disorderly manner.

Senator Ian Gorst, Jersey's Minister for External Relations said:

Today the UK Foreign Secretary has formally written to the World Trade Organization (WTO), notifying them that the UK intends to extend the territorial scope of its WTO membership to Jersey and the other Crown Dependencies.

The formal notification confirms that if the UK leaves the EU without an agreement then the extension will take effect immediately after 31 October.

Securing WTO extension in time for Brexit ensures that Jersey companies will have access to global rules on the trade in goods, services and IP with other WTO members, including EU Member States and the majority of countries worldwide.

This represents the conclusion of a political and diplomatic process to achieve extension of the UK's WTO membership that has been an objective of the Government of Jersey for over 20 years.

The UK's membership of the WTO currently includes Scotland, Wales, Northern Ireland and the Isle of Man, and will be represented by the European Union until Brexit.