

External Relations

External Relations

Purpose

In line with the Common Policy on External Relations, to protect Jersey's constitution, domestic and fiscal autonomy; to promote Jersey's international identity and reputation; to serve the Island's best economic interests; and to promote Jersey's national and cultural identity.

Responsibilities

- Managing the Island's external relationships to develop and strengthen Jersey's international standing and advance its strategic policy objectives;
- Developing and maintaining a network of diplomatic, political and industry contacts to support Jersey's trade, economic development and wider policy aims;
- Securing the optimum outcome for Jersey from the UK's Brexit negotiations in line with government objectives;
- Positioning Jersey as a competent and influential partner on the international stage achieving wide-ranging and enduring relationships with priority markets;
- Growing Jersey's network of international agreements, including Bilateral Investment Treaties, Double Taxation Agreements and Memoranda of Understanding, to increase trade flows, broaden the basis of Jersey's international relationships and to share knowledge and expertise.
- Promoting Jersey as a responsible, cooperative and well-managed jurisdiction for international financial services;
- Ensuring the Island's international obligations are fulfilled to address activities that threaten the international rule of law, security, human rights and respect for democratic principles.
- Analysing international developments and advising Ministers and officials on all issues affecting, or with the potential to affect, the Island;
- Maintaining offices in three of Jersey's closest and most important neighbours – the UK, France and the EU (Brussels).

2017 – 2019 Change Projects

Project	Start Year	Council Priority	Strategic Goal
Deliver change initiatives in support of the Public Sector Reform Programme.	Ongoing	Sustainable Public Finances	11
Global Markets Campaign - Position Jersey as a more competent and influential partner on the international stage achieving broad and enduring relationships with priority markets. To include mature commercial and political relationships, increased visibility and access to decision-makers, and increased business flows and trade.	2016	Optimise Economic Growth	6,8

Annual Update to the MTFP Departmental Annex for 2018

Project	Start Year	Council Priority	Strategic Goal
Bilateral Investment Treaties (BITS) - develop model BIT, secure Letter(s) of Entrustment, negotiate BITS with priority partners starting with UAE and Rwanda. Promote the Jersey model to industry and potential government partners, ultimately to increase trade flows by the implementation of a wide-ranging treaty network (see International Agreements).	2016	Optimise Economic Growth	6,8
Brexit - To secure optimum outcome for Jersey from UK's Brexit negotiations in line with objectives as outlined in successive reports to States of Jersey. To ensure effective communications plan is developed and implemented to maximise public, industry and States Members' engagement.	2016	Optimise Economic Growth	6,8
Multilateral Diplomacy - To coordinate Jersey's engagement in relevant multilateral bodies, representing the Island in matters related to trade, transparency and exchange of information, and helping to ensure a global level playing field. Represent Jersey at the OECD's Global Forum and associated Peer Review Group, Commonwealth fora, and the IMF/World Bank. Ensure continued compliance with OECD BEPS project securing increased visibility and recognition for action taken.	2016	Optimise Economic Growth	6,8
International Agreements - To expand network of international agreements, putting in place the legislative and treaty framework that will underpin increased trade flows with priority markets, leading also to Jersey becoming a more influential jurisdiction. To include development and delivery of wide-ranging MOUs that strengthen relations with priority partners; open and conclude negotiations on DTAs, Asset Recovery, and BITS.	2016	Optimise Economic Growth	6,8
Extension of the UK's World Trade Organisation membership to Jersey.	2016	Optimise Economic Growth	6,8

Financial Narrative

Introduction

The External Relations team plays a lead role in ensuring that Jersey's position is understood by decision-makers and commentators throughout the world; in defending the Island's interests and in assisting colleagues to attract inward investment.

Savings

External Relations will continue to deliver its recurring savings of £72,500 as agreed in 2016.

Inflationary increases for the period of the MTFP have been removed as part of the Department's commitment to efficiency savings. These represent a total annual reduction in budget of £37,500 by 2019.

No further savings are required by the Department over the period 2018 – 2019 but External Relations will actively explore ways to adapt and redesign its services to continue to promote and protect Jersey's international interests efficiently and effectively.

2018 Additional Funding

There has been no growth funding approved in 2018.

External Relations will face significant budgetary pressures in 2018 and 2019, largely due to unanticipated budget reallocation from the department in previous years. It is expected that a resolution will be found in 2018, but this is dependent on the use of a one-off departmental underspend from 2017. A solution for 2019 is currently being explored.

Service Transfers

There are no service transfers planned in 2018 and 2019.

Staffing

Since the publication of the 2017 – 2019 Annex to the MTFP Addition a reconciliation exercise was undertaken to revise 2017 FTE's within the Ministry of External Relations after taking into consideration the temporary increases to support the consequences for Jersey of the United Kingdom's vote to leave the European Union (BREXIT) from 7.0 to 12.0 FTE's.

Since that reconciliation exercise staff employed by the Ministry has increased by an additional 1.5 FTE to 13.5 FTE as a result of an additional 0.5 temporary posts approved to support the consequences for Jersey of the United Kingdom's vote to leave the European Union (BREXIT) and 1.0 FTE for an additional resource within International Agreements.

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NET REVENUE EXPENDITURE - SERVICE ANALYSIS

Near Cash	Service Area	Near Cash			Non Cash 2018 Revised Net Revenue Expenditure	Total 2018 Revised Net Revenue Expenditure	2018 FTE
		2017 Approved Net Revenue Expenditure	Income	DEL			
£		£	£	£	£		
1,746,300	External Relations	(105,000)	1,851,300	1,746,300	-	1,746,300	13.5
1,746,300	Net Revenue Expenditure	(105,000)	1,851,300	1,746,300	-	1,746,300	13.5

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STATEMENT OF COMPREHENSIVE NET EXPENDITURE

Approved 2017 Net Revenue Expenditure £		Revised 2018 Net Revenue Expenditure £
	Income	
	- Duties, Fees, Fines & Penalties	-
(105,000)	Sales of Goods and Services	(105,000)
	- Investment Income	-
	- Other Income	-
(105,000)	Total Income	(105,000)
	Expenditure	
	- Social Benefit Payments	-
835,300	Staff Costs	835,300
123,700	Supplies and Services	123,700
7,000	Administrative Expenses	7,000
1,000	Premises and Maintenance	1,000
1,000	Other Operating Expenses	1,000
883,300	Grants and Subsidies Payments	883,300
	- Impairment of Receivables	-
	- Finance Costs	-
	- Foreign Exchange (Gain)/Loss	-
	- Contingency Expenses	-
1,851,300	Total Expenditure	1,851,300
1,746,300	Net Revenue Near Cash Expenditure	1,746,300
	- Depreciation	-
1,746,300	Total Net Revenue Expenditure	1,746,300

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RECONCILIATION OF NET REVENUE EXPENDITURE

	2018 £		2018 £
Base Department Budget	1,746,300	<u>Approved Variations to Expenditure Limits since MTFP Addition</u>	
Base Adjustment & Commitments	-	Departmental Transfers	-
Price Inflation Department Net Expenditure	11,900	Allocations of Central Growth 2018	-
Price Inflation - Provision for General Pay Awards	-	Changes to Savings	-
Price Inflation - Provision for Specific Pay Awards	-	Capital to Revenue Transfers	-
Provision for Re-forecast of benefit levels	-	Other Variations	-
Departmental Transfers	-	Revised Net Revenue Near Cash Expenditure	1,746,300
Savings		Depreciation per MTFP Addition	-
- Department Savings Programme:		2018 Depreciation Adjustment	-
Savings	-	Depreciation	-
Efficiency	(11,900)	Revised Total Net Revenue Expenditure	1,746,300
User Pays	-		
- Benefit Changes	-		
Additional MTFP 2 Growth	-		
Original MTFP 2 Growth			
- Funding Pressures	-		
- Commitments	-		
- Demographics	-		
- New Funding	-		
- Revenue implications of Capital Projects	-		
Other Variations	-		
Net Revenue Near Cash Expenditure	1,746,300		