



House of Commons
Foreign Affairs Committee

Global Britain and the British Overseas Territories: Resetting the relationship

Fifteenth Report of Session 2017–19



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*Report, together with formal minutes
relating to the report*

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The Foreign Affairs Committee

The Foreign Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Foreign and Commonwealth Office and its associated public bodies.

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Summary

The British Overseas Territories (OTs) are a set of largely self-governing territories spanning nine time zones, from the Atlantic to the Pacific, the Antarctic to the Caribbean. These territories are not part of the UK and each has its own constitution, but all share a bond with the UK and a pride in their deeply-rooted British identities. For the Overseas Territories, Global Britain is a living reality and they have a valuable part to play in it.

On the whole, OT-UK relations are stable but there is some appetite for reform in a number of areas. The FCO's role as the lead department for the OTs is one such area. Some OTs feel that it is inappropriate for a department responsible for foreign relations to also have responsibility for governing British territories and many OT governments feel that they are being managed by FCO officials rather than treated as partners, and that their voices are not being heard elsewhere in Whitehall. That is why we are recommending that the Government commission an independent review into cross-government engagement with the OTs and the FCO's management of its responsibilities towards the OTs and to consider the costs, benefits and risks of moving primary responsibility for the OTs away from the FCO.

The UK's relationships with the OTs were placed under strain in May 2018 by the passage of the Sanctions and Anti-Money Laundering Act (SAMLA), which requires the OTs to publish registers of beneficial ownership. Some OTs say that this will impact their financial services sectors and make them less competitive. We believe it is a matter of national security, because there is evidence to suggest that money tied to autocratic regimes has been connected to OT-registered companies, and that considerations of competitiveness cannot prevent action. The public in the UK and elsewhere have a right to see beneficial ownership information and we are calling on the Foreign Secretary to lay out plans for achieving this.

Beyond the specifics of SAMLA, some OTs say that its consideration and passage raised wider questions about Parliament's relationship with the OTs. There is little appetite in the OTs for major change, such as the OTs sending MPs to Westminster, but most agree that there needs to be greater scope for Parliament to examine OT issues, particularly given the cross-departmental nature of the Government's engagement with the OTs. We therefore think the time is right to consider establishing a new formal mechanism by which the members of relevant select committees can scrutinise the UK Government's administration of, expenditure on and policy towards the OTs.

In the long term, rethinking how the Government and Parliament interact with the OTs will help to ensure that the UK's bonds with the OTs remain strong. There are also steps both sides can take in the short-term. On the one hand, the UK Government needs to ensure that those who should be able to claim British Overseas Territories citizenship can do so and that OT citizens can access NHS treatment in the UK when they need to. On the other hand, belongingship and its equivalents are wrong: we do not accept that there is any justification to deny legally-resident British Overseas Territory and UK citizens the right to vote and to hold elected office. The UK Government should initiate a consultation with the elected governments of the OTs and agree a plan to ensure that there is a pathway for all resident UK and British Overseas Territory citizens to be able

to vote and hold elected office. Moreover, those OTs that have not yet legalised same-sex marriage should move towards doing so. These steps can ensure that the concept of Global Britain can be underpinned by shared values and commitments.

Streamlining funding for the OTs is another way in which their relationships with the UK can be strengthened. For some, this means having certainty about the long-term outlook for funding large-scale infrastructure developments, for others it means helping to tackle climate change and continuing and expanding the Government's Blue Belt programme, which helps to conserve the OTs' globally significant environments. That is why we are recommending that the UK Government set up a dedicated development and stimulus fund for the OTs.

Introduction

1. The British Overseas Territories (the OTs) are spread across four oceans and nine time zones, from Bermuda in the Atlantic to Pitcairn in the Pacific.¹ Most of the OTs are permanently inhabited and largely self-governing. They are not part of the United Kingdom, but the UK has an obligation under article 73 of the United Nations Charter to provide for the wellbeing of their inhabitants.² The total population of the UK Overseas Territories is only about 250,000, but they encompass some of the greatest biodiversity in the world. The largest continuous marine protected area in the world surrounds the Chagos Islands and the UK has plans to develop two further marine protection zones around Pitcairn and Ascension. Henderson Island and parts of Tristan da Cunha are UNESCO World Heritage Sites.

2. Numerous UK government departments work in or on the OTs, notably the Department for International Development (DFID), which spends more than any other department on the OTs. It is the FCO, however, that is ultimately responsible for managing the UK's international obligations towards the OTs and its relationships with their elected governments.³ It is the FCO that appoints the UK civil servants who serve as governors of the OTs, acting as liaison between the UK and the territory and bearing responsibility for its good governance and security.⁴ It is also the FCO that convenes the OTs Joint Ministerial Council, a forum that brings together UK Ministers and the elected leaders and representatives of the OTs and which meets in full once a year.

3. The UK's relationships with the OTs have been under the spotlight in recent years for several reasons: the Brexit vote in 2016 and its potentially seismic impact for several OTs; Hurricanes Irma and Maria in 2017, which had a devastating impact on several OTs in the Caribbean; and the consideration in and approval by Parliament in 2018 of the Sanctions and Anti-Money Laundering Act, requiring registers of beneficial ownership to be published in the OTs, which some OTs describe as unconstitutional. In the light of these developments and the questions they have raised about the UK's relationships with the OTs, we launched an inquiry into the future of the OTs in July 2018, the first major OTs inquiry by the Foreign Affairs Committee since 2008.⁵

4. There has been significant interest in this inquiry from across the OTs. The scale of engagement in the inquiry reflects something that was reiterated to us on numerous occasions by OT leaders and representatives: they are proud to be British Overseas

1 They are: Anguilla, Bermuda, the British Antarctic Territory, the British Indian Ocean Territory, the British Virgin Islands, the Cayman Islands, the Falkland Islands, Gibraltar, Montserrat, Pitcairn, St Helena (with Ascension Island and Tristan da Cunha), South Georgia & the South Sandwich Islands, the Sovereign Base Areas, and the Turks & Caicos. For a summary of each territory's constitutional relationship with the UK, see the Island Rights Initiative's [report](#) and [factsheets](#) on mapping the UK's responsibilities for human rights in the OTs and Crown Dependencies (December 2018).

2 United Nations Charter, Chapter XI, [Article 73](#).

3 This applies to the permanently inhabited OTs (Anguilla, Bermuda, BVI, the Cayman Islands, the Falkland Islands, Gibraltar, Montserrat, Pitcairn, St Helena, Ascension Island and Tristan da Cunha, and the Turks & Caicos). The British Antarctic Territory, the British Indian Ocean Territory and South Georgia & the South Sandwich Islands do not have permanent populations. They are governed by an FCO official who serves as Commissioner. The Falkland Islands' governor fulfils this role for South Georgia. The exceptions are the Sovereign Base Areas, which have a permanent population but are administratively treated as Cypriot territory. They are managed by the Ministry of Defence.

4 For an overview of the role of a governor, see the FCO's response, dated 12 September 2018, to [FOI request 0885-18](#), regarding the role of the Governor of the Cayman Islands.

5 Foreign Affairs Committee, [Overseas Territories](#) (7th report of session, 2007-2008).

Territories; they have a very strong sense of British identity (although this varies in depth and strength between the Overseas Territories); and they care greatly about maintaining their bonds with the UK and ensuring that their relationships with the UK Government and Parliament are resilient and fit for purpose. The evidence we received suggests that for many people in the OTs, Global Britain is a living reality. These territories are not part of the UK, but they see themselves as members of a global British family. The strength of this identity was summed up by Eric Bush, the Cayman Islands’ government’s representative in the UK, who told us: “We were settled by the British, and being British is in our DNA—it is who we are”.⁶

5. Yet this is not a universal feeling. In oral evidence, former Governor of Bermuda George Fergusson told us that the UK’s relationships with the OTs are “almost fated to be difficult” and that “there will always be a degree of confusion and pushing and pulling” between the UK and the OTs.⁷ According to Fergusson, this is because the OTs differ in what they want from the UK. Some want more autonomy from the UK; some want to be closer to the UK; others are happy with the status quo. Mr Fergusson concluded that there “will always be something around, but I don’t think the relationship is too bad”.⁸ Dr Peter Clegg from the University of the West of England echoed this view. He said that there is little appetite in the OTs for independence, suggesting a general satisfaction with the status quo, but, he added, there are occasional “difficult periods” in UK-OT relations.⁹ The evidence we received suggests that we are in one of those periods and that the long-standing assumption that the UK can take a hands-off approach and bear little cost or liability is under strain. This tension has arisen not least because some OTs want the UK to do more, in terms of financial support, for example, but do not want the UK Government and Parliament to interfere in what they see as their internal affairs.

6. During the course of this inquiry we received evidence from numerous elected leaders and representatives and members of the public about issues of importance to individual territories. These territory-specific issues are beyond the scope of this report, but we are grateful to those who have brought them to our attention and we have reported the evidence we have received on these issues to the House. In the very final stages of the inquiry we were alerted to a recent influx of irregular migrants from Haiti into the Turks and Caicos’ territorial waters. We intend to pursue this issue with FCO Ministers.

7. We would like to thank those who participated in this inquiry and provided invaluable oral and written evidence, including the elected leaders and representatives of Anguilla, Ascension Island, the British Virgin Islands, the Cayman Islands, the Falkland Islands, Montserrat, Pitcairn, St Helena, Tristan da Cunha and Turks and Caicos.

6 [Q43](#)

7 [Q9](#) Mr Fergusson was also non-resident Governor of Pitcairn between 2006 and 2010.

8 [Q9](#)

9 [Q72](#)

1 The OTs and the FCO

8. The FCO inherited responsibility for the OTs from the Colonial Office in 1968, via the short-lived Commonwealth Office. The OTs' relationships with the UK have changed significantly since then. Most notably, in 2002 these territories, which had been colonies and later dependencies, were recategorised as Overseas Territories. This was intended to reflect a more modern relationship with the UK, based on partnership rather than dependency. Reflecting this modern partnership, 2002 also saw the creation of British Overseas Territories Citizenship, which placed OTs citizenship on an equal footing with British citizenship. Despite these and numerous other attempts to modernise the relationship, George Fergusson told us that the FCO's role "has not been seriously reviewed" since it inherited it from the Colonial Office.¹⁰ The evidence we received suggests that many in the OTs believe it is now time to reconsider that role.

Whether the FCO is the right fit for the OTs

9. Several of the written submissions we received from members of the public suggested that they consider it disrespectful for a department responsible for foreign relations to also have responsibility for the OTs. For example, the submission we received from Andrew Fahie, the then-Leader of the Opposition in the British Virgin Islands (BVI), was based on feedback from public forums. In it he said that many people had "expressed the view that administering the OTs by lumping them with all other foreign interests is axiomatic to a modern relationship" and that "moving the administration of the OTs from the FCO should be a serious first step in modernising the relationship".¹¹ The submission we received from Shirley Osborne, Speaker of the Montserrat Legislative Assembly, was similarly based on feedback collected in public forums. It said: "Participants universally agreed that the FCO is not the appropriate body to be administering the affairs of the Overseas Territories".¹² This view was echoed in written submissions and oral evidence by several OT governments. Donaldson Romeo, Premier of Montserrat, said:

Many people question the very fact that the FCO is the primary interface between the UK and its Territories. This stems from the fact that Montserrat and the other Territories are legally British Territories and populated for the most part by British citizens. As such, Montserrat is neither foreign nor Commonwealth.¹³

10. Similarly, the Chief Minister of Anguilla, Victor Banks, said: "We are not foreign; neither are we members of the Commonwealth, so we should have a different interface with the UK that is based on mutual respect".¹⁴ Derek Thomas, a member of St Helena's Legislative Assembly, said: "We would like to be not treated as foreigners, but recognised

10 George Fergusson ([OTS0110](#))

11 Virgin Islands Public Meetings ([OTS0047](#)). This submission was made in September 2018. Mr Fahie was succeeded as Leader of the Opposition by Ronnie Skelton in December 2018.

12 The Office of the Montserrat Legislative Assembly ([OTS0093](#)). See also: Mr Kedrick Malone ([OTS0100](#)).

13 Office of the Premier of Montserrat ([OTS0082](#))

14 [Q162](#)

and acknowledged as British citizens”.¹⁵ Eric Bush, speaking on behalf of the Cayman Islands’ government, also said: “The Cayman Islands and, indeed, other OTs are not foreign”.¹⁶

11. Not all OT governments agreed that the FCO was an unsuitable department for the OTs. In its written submission, the Falkland Islands’ government said that the people of the territory do not see themselves as foreign but that, “whilst it may seem strange for our constitutional relationship with the UK to be managed by the Foreign and Commonwealth Office, on reflection it is a logical home given the unique status of the Overseas Territories”.¹⁷ Teslyn Barkman, a member of the Islands’ Legislative Assembly, expanded upon this in oral evidence: “Certainly we don’t feel like a foreign entity. We are British and we are a part of the UK British family”. But, she said, “there is great strategy in having the Foreign Office. It has a base globally around the world that is useful to someone as logistically and geographically distinct as the Falkland Islands”. She added: “Certainly we cannot think of where we would fit better”.¹⁸

12. Some OT governments told us that they are not only concerned about the principle of being managed by a foreign ministry, but also by the practice of engaging with the FCO through its Overseas Territories Directorate (OTD). Some suggested that, while an increasing number of UK departments are involved with the OTs, OT governments’ access to Whitehall tends to be limited to the OTD rather than Ministers and their voices are not being heard. In its written submission, for example, the Cayman Islands’ government said that its relationship with the OTD was of “questionable efficacy” and added: “We are often left with the impression there is a view the British Overseas Territories are to be administered, rather than treated with respect as self-governing representative democracies in their own right”.¹⁹ In her submission, Blondel Cluff, CEO of the West India Committee, wrote:

The FCO acts as the lead department for the territories, although BOTs are entitled to access all HMG departments directly. A cross-Whitehall panel has been established to nurture direct access to all departments, but generally, enquiries tend to be referred back to OTD. Consequently, aside from short presentations made at Joint Ministerial Councils or politically led interaction, there is seldom any in-depth dialogue beyond OTD.²⁰

13. Falkland Islands’ Assembly Member Teslyn Barkman told us that “the Falkland Islands have repeatedly demonstrated that we are a reliable, responsible and valued member of the UK family” but, she said, this partnership is not reflected in the way they interact with the Government. “Rather than being seen as partners”, she said, “we are in some ways more managed by officials in the FCO”.²¹ Ms Barkman concluded that “the relationship that the Falkland Islands wants to see is one that gives us greater ministerial contact”.²² Other OT governments told us that they want the way in which the FCO appoints officials in the OTs, such as governors, to be reformed. The Turks and Caicos

15 [Q196](#)

16 [Q43](#)

17 Falkland Islands Government ([OTS0124](#))

18 [Q185](#), [Q186](#)

19 Cayman Islands Government ([OTS0109](#))

20 The West India Committee ([OTS0053](#))

21 [Q164](#)

22 [Q180](#)

Premier, Sharlene Cartwright-Robinson, said that she wants “to see the involvement of UK Overseas Territories in the selection of Governors”, while Anguilla’s Chief Minister, Victor Banks, said that he wants to see candidates for these roles to be chosen “from a wider base of skills and experience, beyond that of the UK civil service”.²³

14. The situation is different for the governments of OTs that receive official development assistance (ODA). They told us that the problem is not that their relationship with the Government is dominated by FCO officials but that the FCO is not assertive enough. In practice, DFID is the dominant department. In his written submission, Donaldson Romeo, the Premier of Montserrat, said: “DFID officials are too involved in the decision-making process in Montserrat, and sometimes unfairly impose their will on the Government of Montserrat. This makes for an unhealthy relationship”.²⁴ This was echoed by Janice Panton, Montserrat’s representative in the UK, who told us: “It is rather difficult for us because the FCO should govern and DFID should provide aid, but what we see is that aid and governance come mainly from DFID”.²⁵ Councillor Derek Thomas from St Helena, which is also ODA-eligible, said: “We are in receipt of foreign aid from the UK through DFID, but we are British, not a foreign country. Decisions are made by DFID on our future funding, yet we are not involved in that process”.²⁶

The FCO’s view

15. In October 2018, we asked the Foreign Secretary if he thought the FCO was the right department for the OTs. He said that this is a time when “we are thinking big thoughts about how things happen going forward” and that he was happy to look at any proposals for constitutional change, so long as it was done with the consent of the OTs.²⁷ Two weeks later, the FCO’s Permanent Secretary, Sir Simon McDonald, told us that he hoped that the OTs could “continue to be handled from the FCO” and that “our increasingly good performance will be part of making the case for that effectively”.²⁸ When we asked Sir Simon if another department, such as the Cabinet Office, would better suit the cross-departmental nature of HMG’s relationships with the OTs, he said: “I am sure the case could be made, but in the Cabinet Office there are even more distractions than there are in the Foreign Office”.²⁹

16. Sir Simon told us that the FCO had “underinvested” in the OTs in recent years but that that is changing. Building resilient OTs is now one of the department’s top nine priorities, as outlined in its latest single departmental plan.³⁰ Moreover, the PUS told us, the OTs would be in “the first line” in extra work the FCO would be doing under its plans for a post-Brexit Global Britain agenda, for which it had secured extra funding in 2018. Sir Simon elaborated what this would mean in practice:

We are doing it territory by territory, but in the first place we are reinforcing the offices of governors with extra staff. As you know, in many places they are very, very small staffs—one or two people—so getting an extra few

23 [Q162](#), [Q165](#)

24 [Office of the Premier of Montserrat \(OTS0082\)](#)

25 [Q90](#)

26 [Q196](#)

27 [Q383](#) [Oral evidence from the Foreign Secretary, 31 October 2018]

28 [Q94](#) [FCO budget and capacity, and annual report 2017–2018, 13 November 2018]

29 [Q95](#) [FCO budget and capacity, and annual report 2017–2018, 13 November 2018]

30 [Foreign and Commonwealth Office \[single departmental plan\]\(#\)](#), section 3.3 [accessed 21/01/2019]

bodies from head office is an initial part. I want to look at the relationship in a more fundamental way because that is a part of fulfilling our global responsibilities.³¹

17. In December 2018, we also asked the FCO Minister responsible for the OTs, Lord Ahmad, if his department was the right fit for the OTs. He said that, “in terms of where ultimate responsibility should sit, I think that is less important than what the approach of Her Majesty’s Government is”. He added that “the overall approach of the Government should be cross-Government” and that “we have installed that mechanism and governance structure in our dealings with the Overseas Territories”.³² Lord Ahmad also referred to a particular advantage of managing the OTs from the FCO: the ability to plug them into the FCO’s wider work, to integrate them into UK policy towards the Caribbean and to raise their profile in the Commonwealth, something some OT leaders and representatives told us was important to them. Lord Ahmad went on to say:

I feel very strongly as a Minister—I include not just myself in this, but others too—that when we go and talk about the British family, that must be inclusive of the British Overseas Territories. Having geographical Ministers responsible for different parts of the world should complement representing the Overseas Territories’ interests in respect of regions. That is the view I have.³³

The way forward: Possible alternatives to the FCO

18. The OTs’ struggle to be heard in Whitehall may stem from the fact that, while the officials in the OTD are dedicated and knowledgeable, their work is segregated from the FCO’s core responsibilities. They may, in short, be ill-placed to access or influence other parts of Whitehall on the OTs’ behalf. George Fergusson told us that it is “quite a difficult thing for a small part of the Foreign Office, which otherwise does not do domestic policy, to tap into other Whitehall departments”. He suggested that “the Cabinet Office would find it slightly easier to get other Whitehall departments to pay attention to territories”.³⁴ In his written submission, Mr Fergusson further argued that the Cabinet Office would be “better placed to engage with other specialist parts of Whitehall to make relevant expertise and support available to the OTs”. He proposed that the Cabinet Office’s UK Governance Group absorb the OTs Directorate and the Ministry of Justice’s Crown Dependencies Team to “create a group big enough to allow for the development of a specialist career path with a core of expertise”. He added:

In organisational terms, carrying out the UK Government’s constitutional roles for OTs and managing relationships with the Crown Dependencies fits more logically and coherently alongside the management of the UK Government’s other constitutional relationships. This should also help clarify in Whitehall, and beyond, what the UK’s responsibilities are towards OTs.³⁵

31 [Q89](#) [FCO budget and capacity, and annual report 2017–2018, 13 November 2018]

32 [Q267](#)

33 [Q267](#)

34 [Q14](#)

35 George Fergusson ([OTS0110](#)). Mr Fergusson suggests that responsibility for the Sovereign Base Areas in Cyprus should remain with the Ministry of Defence.

This suggestion was echoed by the Anguillan Chief Minister, Victor Banks, who said: “I would like us to consider a more appropriate department to interface with Anguilla, such as the Cabinet Office”.³⁶ In its submission, the Cayman government proposed that “the Cabinet Office should designate one Minister to be regularly accountable to Parliament” for the OTs; that the Cabinet Office should assume responsibility for the annual OTs-UK Joint Ministerial Council; and that it should “work to integrate the British Overseas Territories requirements into the existing COBR Civil Contingencies frameworks”.³⁷

19. Some want to go a step further by setting up a department dedicated to the OTs. Feedback from public forums in Montserrat indicates that there is public demand there for a “dedicated Ministry, Minister or other comparable office” for the OTs.³⁸ Similarly, the Montserrat Premier suggested that thought be given “to whether the OTs should have their own department at the top level of the UK Government”.³⁹ Others argued that this is not necessary. In its submission, the RSPB—which runs extensive programmes in the OTs—argued that it is more important to share knowledge and awareness of the OTs across Whitehall:

Whilst there is relatively significant resource within the capable Overseas Territories Directorate of the FCO, most other Whitehall Departments have a chronic lack of Overseas Territory capacity. Whilst other Departments now at least have a named civil servant with part-time OT responsibility, their capacity is normally spread over many other policy areas as well. They also lack any detailed understanding of the Territories, with no visits to Territories to see situations on the ground. This makes providing any level of tailored and impactful support almost impossible to achieve.

20. The RSPB recommended that this “good governance challenge” be addressed through the establishment of “a ‘One British Realm’ Knowledge Exchange programme” to facilitate and fund “long-term (1–2 year) placements between the UK and the Overseas Territories, both in Government and in civil society”. This, it argued, would benefit good governance in the OTs and address a knowledge deficit in the UK, and “it would be a practical means of bringing the important political sentiment that the UK and OTs are part of ‘one family’ to life”. This would, according to the RSPB, mirror the practice in the French government relating to its OTs.⁴⁰

21. Some of the Overseas Territories feel that the Foreign and Commonwealth Office should not be the lead UK department for the OTs. Some believe that this arrangement reinforces the perception that the OTs are foreign and that it is not fit for purpose given the cross-government nature of the UK Government’s modern relationship with the OTs. However, not all OTs agree and some feel that the FCO has long experience of working with the OTs, it has expertise in managing relationships with the countries that surround the OTs, and it deals on a daily basis with international treaty obligations relevant to the OTs. It is time for the UK Government to seriously engage with this issue and to do so in a fair and transparent manner. *Before the next full meeting of the OTs*

36 [Q162](#)

37 Cayman Islands Government ([OTS0109](#))

38 The Office of the Montserrat Legislative Assembly ([OTS0093](#))

39 Office of the Premier of Montserrat ([OTS0082](#)). This is the practice in France, which established a Ministry for Overseas France in 2012. In France’s OTs, this Ministry exercises the powers exercised by the Ministry of the Interior in metropolitan France. See: Embassy of France ([OTS0128](#))

40 RSPB ([OTS0070](#))

Joint Ministerial Council the Government should therefore commission an independent review into cross-government engagement with the OTs and the FCO's management of its responsibilities towards them. Drawing on international comparisons, this review should consider alternatives to the FCO and assess the costs, benefits and risks associated with moving primary responsibility for the OTs away from the FCO. The findings of the review should be presented to the House and shared with the elected OT governments as soon as is feasible.

22. There is a widespread feeling in the OTs that the quality and quantity of their communications with UK Government departments needs to improve. The OTs' needs extend far beyond the FCO and their voices must be heard elsewhere in Whitehall. Towards this end, the FCO should draw up plans for a secondment programme between government departments in the UK and the OTs, including assessing the likely costs and level of interest in UK Government departments. The FCO should include specific proposals, costs and a timeline for this in its response to this report.

23. The FCO must ensure that the officials it appoints in the Overseas Territories have the skills necessary both to build constructive relationships with the OT governments and to ensure that the territory's governance meets the highest standards. In its response to this report, the FCO should explain the processes it has in place for advertising and recruiting for positions in the OTs, such as governorships, and what it does to consult the OT governments on these appointments. The FCO should also outline the training it provides to the officials it appoints in the OTs, both in advance of and during their postings, and how it assesses their performance.

24. There is no single name that properly describes the UK, the Overseas Territories and the Crown Dependencies as a collective family of nations and territories. In its response to this report the FCO should lay out plans for a consultation on whether there should be a name and what such a name should be.

25. The people of the Overseas Territories are deeply proud of their British heritage and continue to feel a strong sense of loyalty to the Crown and a close bond with the United Kingdom. The flying of the flags of all Overseas Territories and Crown Dependencies in Parliament Square for the weekend of the Queen's Birthday Parade, "Trooping the Colour" and for all State Visits since 2012, has been a source of enormous pride in the OTs. To many in the OTs, this symbolised that they were fully part of the British family and gave them long overdue recognition. However, their request to lay a Poppy Wreath on Remembrance Sunday at the National Service of Remembrance at the Cenotaph in Whitehall has not been accepted, thus far. There is a unanimous wish amongst the governments of the OTs that as their citizens have fought and died in the service of the Crown in various conflicts over the centuries, that they too should be able to pay tribute in the same way as Commonwealth nations, whose representatives lay a wreath each year at the Cenotaph. Since 2014, the Ambassador of Ireland has also been invited to lay a wreath in memory of Irish citizens who have served in the British Armed Forces, yet the OTs and the Crown Dependencies are still denied that same right. The Committee believes that it is time for this anomaly to be rectified. Before Remembrance Sunday 2019, the Foreign Secretary should explore the possibility of extending an invitation to each OT to send a representative to lay their own wreath, or at the very least one wreath laid by a different OT representative each year.

2 The OTs and Parliament

26. As the FCO acknowledged in 2012, the UK Parliament has, as a matter of constitutional law, unlimited powers to legislate for the OTs.⁴¹ In practice it tends only to legislate in areas that are reserved to the UK, such as foreign policy and national security, and not in areas devolved to the OTs without their consent. The passage of the Sanctions and Anti-Money Laundering Act 2018, however, is an indication of the complexity of separating reserved and devolved matters. Sanctions and anti-money laundering (AML) measures are a tool of foreign policy and national security, but they are largely implemented by the financial services industry, which is a devolved matter. This specific piece of legislation, which may impact the financial services sector in the OTs, has placed a strain on Parliament's relationships with the OTs, but the evidence we have received suggests that there are concerns within some OTs that go deeper than the material impact on financial services. This Act has raised questions about whether and how the OTs' voices can be heard in Parliament when they are not directly represented in either House.

The Sanctions and Anti-Money Laundering Act

27. The Sanctions and Anti-Money Laundering Act (SAMLA), which became law in May 2018, makes provision for an independent post-Brexit sanctions and AML regime. It requires the Foreign Secretary to assist the OTs to establish publicly-accessible beneficial ownership registers and allows for the Foreign Secretary to impose them by Order in Council if the OTs do not do so by 31 December 2020.⁴² The need for this measure was highlighted to us by Transparency International and Global Witness, who told us that “there is a clear correlation between corruption cases and the use of the secretive corporate vehicles based in the [OTs]” and that “transparency about the beneficial owners of these companies has been identified as an important part of the solution to tackling the laundering of corrupt and illicit funds”. They point to evidence uncovered in the UK of: a company registered in BVI providing financial services to North Korea's main arms dealer; the use of front companies in offshore locations including BVI to register North Korean ships; and the use of a BVI-registered company by the man once in charge of Muammar Gaddafi's long-range missiles programme to buy properties in the UK.⁴³

28. This link between OT-registered companies and money tied to autocratic regimes echoes the evidence we received during our inquiry into Russian corruption in the UK. In that inquiry journalist Juliette Garside, who investigated the Panama papers and Paradise papers for the Guardian, told us that, “in Russia, one of the names for a shell company—one of the words people use—is BVI”, while Tom Keatinge, from RUSI's Centre for Financial Crime and Security Studies, told us that “the OTs seemingly have a free rein to benefit from their association with the UK without adhering to the expectation and standards increasingly required of those operating within the UK itself”.⁴⁴ This suggests that the lack of publicly available and transparent information on OT-registered companies has foreign policy and national security implications. The evidence we received from some OTs, however, suggests that they see it solely as a financial services matter, which is a devolved area.

41 FCO White Paper, [the Overseas Territories: Security, Success and Sustainability](#) (2012), p. 14.

42 [Sanctions and Anti-Money Laundering Act](#) (2018), section 51

43 Transparency International UK and Global Witness ([OTS0016](#))

44 [Moscow's Gold: Russian Corruption in the UK](#) (15 May 2018), p. 22

29. For some OTs, SAMLA is not a problem. The Gibraltar government told us that it is already committed to publishing a register.⁴⁵ Anguilla’s representative, Blondel Cluff, told us that Anguilla “has no problem with the beneficial ownership requirements stipulated by the UK” and is “working closely with HMG on a limited budget to upgrade its technology for recording and reporting beneficial ownership”.⁴⁶ Other governments, notably Bermuda, BVI and the Cayman Islands, strongly oppose SAMLA. These territories’ economies depend heavily on financial services, both in terms of jobs and tax revenue.⁴⁷ Some politicians in these territories have been heavily critical of the legislation. For example, on 24 May, the day after SAMLA was passed into law, the Deputy Premier of BVI, Kedrick Pickering, is reported to have told an audience at a public rally in the BVI capital, Road Town, that “we have declared open war against the UK”. According to local media reports, he “then told members of the BVI public to prepare for battle and stay tuned for various strategies”.⁴⁸

30. Dr Elise Donovan, BVI’s representative in the UK, told us that people who register companies in BVI are doing so because they want privacy not secrecy, that BVI has a strong reputation as a reputable financial services centre, and that it has Financial Action Task Force-compliant due diligence systems in place to verify ownership information and share it with law enforcement agencies in the UK and elsewhere when requested.⁴⁹ Dr Donovan added that publishing registers of beneficial ownership before it is a global norm would make BVI uncompetitive. She also indicated that the BVI government would “explore the options” in terms of publication of the registers before the end of 2020, as envisaged in SAMLA:

The position has been clearly stated publicly by the British Virgin Islands Premier, Dr D. Orlando Smith OBE, who has said that the BVI will explore all opportunities and positions to protect the interests of our financial services industry, which, as I have pointed out, accounts for 33% of our GDP and 60% of our Government revenues. We respect the UK Parliament, but we will explore the options, including legal options, as the Premier has said, unless it becomes a global standard so that we do not feel that we are being put in a disadvantageous position. We do not feel that public registries are the solution for detecting and deterring financial crime.⁵⁰

31. This echoes what Bermuda told us in writing. When we asked the Bermudan Premier David Burt if Bermuda intended to publish a register, we were told that: “Bermuda is committed to meeting any properly adopted, global standard for such matters and will work with the UK Government as necessary once such a standard is promulgated”.⁵¹ The Cayman Islands’ government’s UK representative, Eric Bush, told us that Cayman would only publish a register once it had become a global standard.⁵²

45 HM Government of Gibraltar ([OTS0107](#))

46 The West India Committee ([OTS0053](#))

47 For background information on these territories’ financial services sectors, see: International Financial Centres Forum ([OTS0094](#))

48 BVI News, ‘UK put on notice, BVI has ‘declared war’—Pickering’, 25 May 2018

49 [Qq103–106](#)

50 [Q111](#)

51 Government of Bermuda ([OTS0130](#))

52 [Q56](#)

32. In 2016 the OTs committed to establishing central registers of beneficial ownership by June 2017 and by late 2017 the FCO said that all of them had either done so or were on track to do so.⁵³ This enables relevant law enforcement agencies in the UK and elsewhere to request beneficial ownership information from the OTs if they have grounds to do so, though Eric Bush indicated that this happens rarely.⁵⁴ Yet, when Lord Ahmad appeared before us in December 2018, he told us that it could be 2023 before registers were published.⁵⁵ The Minister said that the Government was providing the OT governments with any technical and other assistance they need to publish registers and that he and his officials had had constructive conversations with OT governments about this, including the BVI government. Lord Ahmad added that, “we have also been very clear that the law has been passed and there is a requirement now for public registers in all our Overseas Territories”.⁵⁶ FCO Minister for Europe and the Americas Sir Alan Duncan subsequently confirmed to the House that 2023 was the goal for introducing registers but, he said, “a lot of work has already been done so that they could perhaps be in place before that date”.⁵⁷

33. Parliament has judged public registers of beneficial ownership to be a matter of national security. Those who seek to undermine our security and that of our allies must not be able to use the OTs to launder their funds. We cannot wait until public registers are a global norm and we cannot let considerations of competitiveness prevent us from taking action now. The lowest common denominator is not enough. While law enforcement agencies in the UK appear to have made relatively little use of their powers to request company information from the OTs, it is vital that this information can be accessed by the public, both in the UK and in countries where public money has been stolen by kleptocrats whose actions harm the UK and its allies. We welcome the FCO’s assurances that it is working with the OTs to help them implement the Sanctions and Anti-Money Laundering Act. We commend the constructive approach the FCO has taken on this, despite the language used by some OT politicians. We profoundly regret, however, that public registers may not be published before 2023. It is simply not acceptable that this will be long after the deadline set out in the Act. *The Foreign Secretary, in co-operation with the elected governments of the OTs, should lay out before the Summer recess a clear and detailed timetable for the publication of registers of beneficial ownership in each OT.*

How the OTs are represented in Parliament

34. Some OTs told us that SAMLA raised questions about the principles underpinning their relationships with Parliament. The Cayman Islands’ government said that once the public registers issue is resolved, it wants a conversation with Parliament about how it engages with the OTs and that:

We would particularly like this to include a conversation on sanctions against individual members, parliamentary committees, and [All Party Parliamentary Groups], who are found to have either failed to engage with

53 FCO response to FOI request [0896-17](#), 6 October 2017

54 [Qq64-65](#)

55 [Q221](#)

56 [Q228](#)

57 [Oral answers to questions](#), 22 January 2019, Hansard vol 653, column 120

the Government of the Cayman Islands in relation to reports or inquiries which directly affect our reputation, or who have misused parliamentary privilege to malign our Islands without a sufficient factual basis.⁵⁸

Other OT leaders and representatives similarly said that SAMLA raised points of principle. Turks and Caicos Islands Premier Sharlene-Cartwright Robinson said: “Today, it is financial services; tomorrow, it is something else. That is our concern”.⁵⁹ Montserrat Premier Donaldson Romeo said: “Montserrat is not as affected as other territories. However, we support their positions in principle, in that our main concern is that legislation without consultation is not right”.⁶⁰ The Falkland Islands told us that “There is a growing concern amongst many UK Overseas Territories, including the Falkland Islands, with regard to the manner with which some legislation is imposed on us from Westminster”.⁶¹

35. Some members of the public also told us in writing that it is time to rethink the principles of Parliament’s relationships with the OTs. Benjamin Roberts from Turks and Caicos said that it reflected badly on the UK that “in this 21st century, a territory such as [TCI] and all its citizenry have no representation in their so called ‘Mother of Parliaments’”. Jerzy Kolodziej, also from TCI, said: “the UK apparently reserves power to make and unmake law for the Turks and Caicos despite there being no representation of the democratic interests of the islands themselves”. Tari Trott from Bermuda said: “I, along with many people in Bermuda, believe it is time for the [OTs] to be represented in the House of Commons”, while Sylvia Gabriel from Montserrat said: “The UK parliament is our ultimate parliament so we should have pro-active representation in that body”.⁶² The Montserrat Premier told us that it was “a commonly held view” on the island that “there ought to be some direct representation for the Territories either collectively or individually in the UK parliament”.⁶³ The BVI Leader of the Opposition told us that the BVI public’s view was similar:

The Overseas Territories have no direct representation in Parliament which has ultimate authority over its affairs and can pass any law that can impact the Overseas Territories disproportionately as seen with the recent [SAMLA]. A modern relationship requires each OT with a representative government to have direct representation in a body that, until independence is obtained, can make any law it pleases. There was great support for the Overseas Territories legislatures to have a veto power over laws passed by the British Parliament affecting them directly in the same way that English MPs have a veto power over laws passed affecting England.⁶⁴

This echoed former BVI representative Kedrick Malone, who wrote that “the ability of the UK Parliament to legislate for the OTs should be eliminated” and that in devolved areas, Parliament’s “over-reach” should be restricted.⁶⁵

36. The Danish and French overseas territories send members to their metropolitan parliaments. In Denmark’s case, Greenland and the Faroe Islands each send two members

58 Cayman Islands Government ([OTS0109](#))

59 [Q173](#)

60 [Q173](#)

61 Falkland Islands Government ([OTS0106](#))

62 Benjamin Roberts ([OTS0036](#)); Mr Jerzy Kolodziej ([OTS0080](#)); Mr Tari Trott ([OTS0058](#)); Sylvia Gabriel ([OTS0071](#)).

63 Office of the Premier of Montserrat ([OTS0082](#))

64 Virgin Islands Public Meetings ([OTS0047](#))

65 Mr Kedrick Malone ([OTS0100](#))

to the 179-seat parliament while French OTs send 27 members to the 577-seat lower house and 11 members to the 348-seat upper house, with the number depending on the size of the territory's population.⁶⁶ Referring to examples like this, Lawrence Sticca from Bermuda told us that he felt strongly that OTs should “be given a seat in the UK Parliament and House of Lords, just as the French and Dutch are, to give a voice to the mother country in the affairs of the [OTs]”.⁶⁷

37. The elected leaders and representatives of the OTs that appeared before us had mixed views on sending MPs to Parliament. Anguilla's Chief Minister Victor Banks said that he thought it should happen, that “we need to have a voice in the House of Commons so that we can be represented by a person or persons who understand us”.⁶⁸ Sharlene Cartwright-Robinson said: “there is no appetite in Turks and Caicos for it”.⁶⁹ Teslyn Barkman from the Falkland Islands said: “Currently we can appeal to 650 Members of Parliament, whereas we would be funnelling and bottlenecking our issues from a vast number of [OTs], or even a singular territory, through one”.⁷⁰ The elected leaders and representatives of Anguilla, the Falkland Islands, Montserrat, St Helena and TCI did agree, however, that a Parliamentary committee dedicated to the OTs might be “a positive way forward”, as St Helena's Councillor Thomas put it.⁷¹

38. We are aware that many people in the Overseas Territories feel that they do not receive the attention in Parliament that they might expect and that the Foreign Affairs Committee has not carried out a major OTs inquiry since 2008. Given the competing pressure of other policy areas, and the requirement to scrutinise the whole gamut of the Foreign Office's work, it is difficult to envisage another major OTs inquiry in this Parliament. This fails to do justice to the range and complexities of the issues facing the OTs, individually and collectively. Mindful of this, we believe the time is right to give serious consideration to establishing a formal mechanism by which members of the Foreign Affairs, Justice, International Development, EFRA and other relevant Committees are able collectively to scrutinise the UK Government's administration of, spending on and policies towards the OTs.

66 Royal Danish Embassy, UK ([OTS0117](#)); Embassy of France ([OTS0128](#))

67 Mr Lawrence Sticca ([OTS0084](#))

68 [Q190](#)

69 [Q192](#)

70 [Q191](#). See also: Falkland Islands Government ([OTS0124](#))

71 [Q215](#)

3 UK funding for the OTs

39. The UK bears contingent liability for all OTs but most of them do not receive direct financial assistance from the UK and, in theory, those that do are on a path to financial self-sufficiency. In practice, the situation is more complicated. Some OTs, such as the Cayman Islands and the Falkland Islands are self-sufficient and proud of it.⁷² Many others, however, are self-sufficient but in a precarious economic position without UK aid. Anguilla's government is struggling to stimulate the economy without help; in BVI and Turks and Caicos catastrophes such as Hurricane Irma have severely impacted their economies and made them vulnerable.⁷³ Then there are the OTs—Montserrat, Pitcairn, St Helena and Tristan da Cunha—that do receive UK financial support, in the form of official development assistance, but struggle to see how they could move beyond aid without significant investment in infrastructure. Cutting across all of this is an issue that all OTs are vulnerable to and none can tackle alone: climate change. The UK is spending money to help the OTs prepare for and mitigate the effects of climate change but many of them feel that the situation is getting worse and their capacity to manage it could be even more difficult without EU environmental funding.

Current spending on the OTs

40. UK Government spending on the OTs is complicated. Denmark provides its overseas territories, Greenland and the Faroe Islands, with annual block grants.⁷⁴ The UK does not and UK spending on the OTs is spread across several government departments and cross-government funds. While the FCO does not provide a total figure and some spending is spread across several years, the evidence provided by the Department indicated that the Government will spend just over £152 million on the OTs in the financial year 2018–2019, not including a one-off figure of £70 million pledged to help territories impacted by Hurricanes Irma and Maria in 2017.⁷⁵

41. In this financial year (2018–19), FCO spending on the OTs will amount to just over £23 million, not including programme spending under the cross-government Conflict, Stability and Security Fund (CSSF) in which the FCO is the sole or lead department.⁷⁶ Of this £23 million, £16.3 million is from the Global Britain Fund. The FCO did not provide a detailed breakdown of this spending but said it would support “key objectives”, such as “de-mining in the Falkland Islands, operation costs for the British Indian Ocean Territory and the provision of additional disaster resilience equipment and infrastructure for vulnerable Caribbean territories”. Of the remaining FCO spending on the OTs, the largest item is the cost of running and staffing governors' offices. In addition, Sir Simon MacDonald told us, additional funding is coming on stream to increase governors' offices' staffing. Lord Ahmad told us that this would amount to just under £800,000.⁷⁷

72 [Q76](#)

73 The West India Committee ([OTS0053](#)); British Virgin Islands Government ([OTS0079](#)); [Q165](#)

74 Royal Danish Embassy, UK ([OTS0117](#))

75 Foreign and Commonwealth Office ([OTS0120](#))

76 Of the headline figure of £23 million, just under £1.8 million will be spent on the cost of running governors' offices, £500,000 on running the OTs Directorate in London, and £4.3 million on salaries, in territory and in London.

77 [Q89](#) [FCO budget and capacity, and annual report 2017–2018, 13 November 2018]; Foreign and Commonwealth Office ([OTS0132](#))

42. The FCO is not the only department that spends money on the OTs, nor the department that spends the most on them. Three other departments will spend £95 million between them on the OTs: the Department for International Development (DFID) will spend £75 million; the Department for the Environment, Food and Rural Affairs (DEFRA) will spend £2.75 million; and the Ministry of Defence (MOD) will spend just under £18 million.⁷⁸ In addition, £34.5 million of CSSF funding will go to the OTs, for specific programmes in Anguilla, Ascension Island and BVI (for which the FCO is solely responsible) and two cross-cutting programmes (involving the FCO as well as five other departments and arms-length bodies).

Official development assistance for the OTs

43. DFID will spend roughly £75 million in 2018–19 on programmes in Montserrat, Pitcairn, St Helena and Tristan da Cunha, which qualify for official development assistance (ODA). According to the OTs legal expert Susie Alegre, the OTs are ill-placed to engage with DFID on this because the department’s core work—eradicating poverty in aid-eligible countries—does not sit easily with the bespoke long-term needs of small OTs, which may need the kind of significant capital investment that DFID is not well-placed to deliver. She said:

On the international development question, there is a real need for clarification about what it means to be supporting the Overseas Territories that need development support, because it is not at all the same as development for developing countries and never will be. They are British territories: many of them are not going to be in the position to be standing on their own two feet with a wonderful, sustainable economy because of their size and remoteness. That is quite a difficult thing for DFID to deal with.⁷⁹

44. This view appeared to be borne out in the evidence we received from Montserrat. It will receive £65 million in ODA between 2016 and 2019, making it the largest ODA recipient of the OTs. It was on a path to self-sufficiency until a series of natural disasters in the 1990s, including eruptions from the Soufrière Hills volcano, which rendered two-thirds of the island uninhabitable and decimated its economy. It has since received an estimated £450 million from the UK but there appears to be no end in sight for UK aid spending on the island. Its representative, Janice Panton, told us that the island still lacks a hospital and a year-round port and its government depends on UK aid for 60% of current expenditure. She described this as a “hand to mouth” existence, adding: “It would seem that we have been receiving funds, but we are ticking over; we are not really developing”.⁸⁰ The Premier, Donaldson Romeo, also told us that “we still struggle to put in place ‘catalytic’ initiatives to spark self-sustaining, inclusive growth”.⁸¹ Joseph Eaton Farrell, a member of the opposition in the island’s Legislative Assembly, told us that there is a desire to “advance to a more financially sustainable regime as soon as possible” but, he said, this will require what he called a “development stimulus package”.⁸²

78 The MOD will spend just under £18 million on the costs of running the military facilities in the British Indian Ocean Territory and the Sovereign Base Areas in Cyprus.

79 [Q13](#)

80 [Q92](#)

81 Donaldson Romeo ([OTS0111](#))

82 Hon Joseph Eaton Farrell ([OTS0024](#))

45. St Helena, Tristan da Cunha and Pitcairn similarly need significant UK aid. In St Helena the UK recently spent nearly £300 million on an airport but the St Helena government told us that the island still has critical infrastructure gaps.⁸³ Moreover, in its submission, the St Helena Chamber of Commerce said that local businesses invested heavily in anticipation of the airport leading to an economic boost, but this never materialised, making the situation even worse:

Raised expectations and a willingness on the part of many local enterprises to undertake significant investment in order to make a difference and be ‘air access ready’—in an attempt to grow St Helena’s economy and reduce our reliance upon aid—have turned to ashes, leaving many businesses in debt, or facing severe cash flow problems and, in some instances, both.⁸⁴

Councillor Derek Thomas told us that the St Helena government’s capacity to achieve the goal of financial self-sufficiency is limited because it is not offered sufficient input into funding decisions taken by DFID officials. In the longer-term, he said, if St Helena’s economy does grow, there is a worry that it will no longer qualify for ODA but will be too poor to manage without it. He said that people on the island, “fear a future where the people of St Helena are plunged back into severe poverty, but we lack the means to safeguard against that”.⁸⁵

46. Tristan da Cunha is also in a precarious financial position. Ian Lavarello, the Chief Islander, told us that its only harbour, which is its sole link to the outside world for 51 weeks a year, is not sufficiently robust to cope with Atlantic storms. He said that DFID’s policy is to “patch and mend” but that, what is needed is a new harbour, at a cost of between £80 and £90 million.⁸⁶

47. Ascension Island does not receive ODA because there is no right of permanent abode. It too, however, appears to need the UK’s help. According to Councillor Kitty George, a member of the Island Council, its government “will become bankrupt in the next few years”. It has reserves of £10 million but it is spending £1.5 million of this a year due to the deteriorating economy.⁸⁷ There are two reasons for this. The first is connectivity. The island has been largely cut off because its main military runway was shut for repairs in 2017 and may not be operational for several years. As a result, the Falkland Islands’ airbridge to the UK, which used to transit via Ascension, now transits via Cape Verde, leaving Ascension reliant on a monthly flight to St Helena. This has, according to Councillor George, strangled the tourism industry. Ascension’s other problem is the potential cost of enforcing a marine protected area in its exclusive economic zone, which could cost its government up to £360,000 a year.⁸⁸

48. The Committee notes that the Overseas Territory of St. Helena includes the separate and distinct territories of Ascension Island and Tristan da Cunha. These are both inhabited territories with a population that is not directly connected to St. Helena and have their own identities, elected governments and flags. Therefore, Ascension Island

83 [Q213](#)

84 [St Helena Chamber of Commerce \(OTS0028\)](#)

85 [Q196](#)

86 [Qq208–212](#)

87 [Q196](#)

88 [Ascension Island Council \(OTS0119\)](#). The BBC World Service has a relay station on the island, which also supplies water and electricity. Its manager told us that the island’s connectivity issues are making it increasingly difficult for the company contracted to operate it to manage. See: Paul Mildon [\(OTS0121\)](#)

and Tristan da Cunha should be treated with equality as British Overseas Territories in their own right and the FCO should change their status to this effect. However, this change should not necessarily imply that the practice of St. Helena, Ascension Island and Tristan da Cunha sharing the same Governor should come to an end.

Spending on the environment

49. The UK Government has devoted increased resources to OTs' environment management in recent years, reflecting their globally-significant ecological richness.⁸⁹ The RSPB told us that many OTs' economies are "heavily dependent on natural resources", both in terms of fishing and mineral extraction, adding that eco-tourism "is likely to be an ever-increasing component of OT livelihoods" and that "sustainable use of their natural resources is a near existential question for many of these communities". The RSPB also argued that ecosystem-based approaches to building resilience can be cost-effective, durable and sustainable in the face of increasingly damaging hurricane seasons, but that OT governments' capacity is limited, and they need technical and funding support from the UK Government and from NGOs in the UK.⁹⁰

50. The UK Government supports environmental management and climate change mitigation in the OTs through the Darwin Plus Fund—which funds projects working on environment and climate change issues in the OTs between £100,000 and £300,000—and Blue Belt—a £20 million programme running between 2016 and 2020 aimed at implemented tailored marine management strategies.⁹¹ In its submission, the RSPB commented that there is a need for larger-scale funding.⁹²

Brexit and EU funding for the OTs

51. Some of the evidence we received suggests that the OTs' ability to manage their environments and mitigate the impact of climate change may be hampered by the loss of EU funding, particularly the roughly £1 million a year the OTs receive from the EU's BEST (Biodiversity and Ecosystem Services in Territories) Initiative. The government of St Helena, for example, told us that "Protecting the environment is a key consideration for St Helena, and the EU has been instrumental in assisting in the many projects designed to do just that". It adds that "this crucial funding must continue".⁹³ The government of Gibraltar told us that the UK Government "has so far failed to identify a source of funding that would fill this gap". The BVI government said that "the EU has been critical in the provision of funding for projects focusing on climate change, disaster preparedness and

89 The UK Overseas Territories Conservation Forum told us that the OTs account for 94% of the biodiversity for which the UK is internationally responsible and while there are 90 endemic species in Great Britain, there are 3,300 in the OTs. The South Georgia Heritage Trust told us that the OTs in the South Atlantic are "home to the greatest density of seabirds on the planet". See: UK Overseas Territories Conservation Forum ([OTS0114](#)); South Georgia Heritage Trust ([OTS0050](#))

90 RSPB ([OTS0070](#))

91 Foreign and Commonwealth Office ([OTS0103](#))

92 RSPB ([OTS0070](#))

93 St Helena Government ([OTS0061](#)). The importance of EU funding was echoed by a joint written submission the geographers Dr Alasdair Pinkerton from the University of London and Dr Matthew Benwell from Newcastle University. See: Dr Alasdair Pinkerton & Dr Matthew C. Benwell ([OTS0069](#))

the conservation of its biodiversity” and added that “the UK Government should prepare for how this unfunded liability will be met”.⁹⁴ The Falkland Islands government said that it hopes to be able to continue accessing these EU funds.⁹⁵

52. As well as BEST, some OTs receive aid from the EU’s European Development Fund. Dr Peter Clegg told us that they will likely incur significant losses if they are cut off from it. He said that this is true both for “relatively poor Territories such as Pitcairn and Anguilla” and for others, including BVI and the Cayman Islands, that do not qualify for ODA from the UK.⁹⁶ Susie Alegre told us that OTs such as Turks and Caicos receive “significant funding from the EU for things like infrastructure and education that, at present, the UK Government would not fund”.⁹⁷

The FCO’s vision for funding the OTs

53. The Government has pledged to match EU funding for the OTs up until 2020, including in the event of a no-deal.⁹⁸ In terms of environmental funding, the FCO acknowledges the significance of EU funds and says it is “considering how environmental funding for OTs can best be provided following our departure”. Beyond this, the FCO told us that it plans to “review objectively the way in which the UK Government’s commitments to the OTs is most effectively discharged, taking account of the costs and benefits of the current arrangements”.⁹⁹ When we asked Lord Ahmad if the UK would fund the harbour that Tristan da Cunha says is essential for the island’s survival he said:

There are various capital programmes that we receive quite regularly from various Overseas Territories, including Tristan, as you pointed out. Previously and historically, it would be fair to say that we have not perhaps looked at it as a complete overall Government approach. Most recently, I have had constructive discussions with the Secretary of State for International Development to look at the whole issue of ODA funding for our Overseas Territories, and to look at longer-term capital programmes and support.¹⁰⁰

Following up on this, the FCO’s OTs Director, Ben Merrick, acknowledged that the cost of a harbour would be significant and that, “in the context of a business case, we look at these things very carefully from an economic point of view, and obviously a developmental point of view”.¹⁰¹ Lord Ahmad concluded: “if one were to say, ‘What do I aspire to as the Minister responsible for Overseas Territories?’ it is to create economies that are self-sustaining and growing”.¹⁰²

54. The UK has a duty under international law to provide for the development of the OTs, but it also has a responsibility to UK taxpayers to ensure that the considerable amount of money it spends on the OTs is not wasted. This means not only transparency and accountability in day-to-day spending, but also ensuring that capital investment is genuinely capable of delivering the Government’s long-term objective to ensure

94 HM Government of Gibraltar ([OTS0107](#)); British Virgin Islands Government ([OTS0079](#))

95 Falkland Islands Government ([OTS0106](#))

96 Dr Peter Clegg ([OTS0020](#))

97 Ms Susie Alegre ([OTS0052](#))

98 Foreign and Commonwealth Office ([OTS0132](#))

99 Foreign and Commonwealth Office ([OTS0103](#))

100 [Q260](#)

101 [Q261](#)

102 [Q262](#)

that the OTs are financially self-sufficient. We are seriously concerned by evidence suggesting that, despite significant capital investment in some OTs in recent years, much more remains to be done to provide infrastructure in OTs such as Montserrat, Tristan da Cunha and St Helena, with no clear end in sight.

55. *The Government must offer clarity on its long-term vision for the funding of the OTs, including replacing any lost EU funding, and continuing and expanding Blue Belt funding after 2020. Towards this end, the Government should explore options for a dedicated development and stimulus fund for the OTs, which would allow for the long-term, sustainable development of aid-dependent territories; help to stimulate the economies of those who need a stimulus but do not qualify for official development assistance; and help territories that are otherwise financially self-sufficient respond to crises such as hurricanes. This long-term vision must be based on a clear-eyed assessment of how the UK will balance the needs of individual OTs against value for money for UK taxpayers. There must be scope to ask hard questions about the long-term sustainability and viability of individual OTs without further significant levels of UK capital investment. If the Government does not think significant capital investment is possible, then it must be frank about what it will spend and towards what end.*

56. The UK Government must clarify the UK's future relationship with the European Union as soon as possible and analyse the impact on the OTs, what funding will be required to ensure the OTs are not losing out, and what input the OTs will have on the replacement of EU funding in the future.

4 Points of friction in UK/OT relations

57. Many of the issues that elected leaders, representatives and members of the public in the OTs brought to our attention are structural, from the OTs' struggle to be heard in Whitehall, to the difficulties associated with being understood in Parliament when they are not directly represented in either House, and the challenge of securing long-term funding. The solutions to these problems need to be considered carefully and in good time. There are, however, more immediate problems that must be addressed soon. From the OTs' perspective, two such problems are: anomalies in the rules around claiming citizenship by descent and access to NHS services in the UK. From the UK perspective, two prominent points of divergence that are causing friction in its relationships with some OTs are: same-sex marriage and belongingship.

OT grievances with the UK: citizenship and the NHS

58. The issue of citizenship by descent stems from an anomaly in the British Nationality Act, which means that fathers with British Overseas Territories Citizenship cannot pass it on to children born outside the OTs between 1948 and 2006, if they were not married to the child's mother at the time of birth.¹⁰³ In May 2018, the Joint Committee on Human Rights described this anomaly as an unacceptable form of discrimination, while Montserrat's representative, Janice Panton, said it "has caused a lot of anguish among some parents".¹⁰⁴ Lord Ahmad was not able to indicate when the matter would be resolved. He said that "discussions are ongoing across Government on this".¹⁰⁵

59. In terms of access to NHS services, Blondel Cluff, Anguilla's representative in the UK, told us that no more than four patients in Anguilla can receive NHS treatment in the UK each year, even though the island's population has increased 125%, from under 7,000 to 15,000, since the quota began in 1985. As a result, she said, "a British citizen's life chances are diminished simply by residing in a BOT".¹⁰⁶ In his written submission, former BVI representative in the UK Benito Wheatley described the quota, which also applies to BVI, as "inexplicable", especially because "the overall number of persons in the OTs who require such attention is miniscule".¹⁰⁷ The Chief Islander of Tristan da Cunha, Ian Lavarello, told us that it is in an even worse position because it is "one of a handful of OTs currently excluded from participation in the scheme that allows referral of complex medical cases to the NHS".¹⁰⁸

60. The Government should urgently address concerns in the OTs about the issue of citizenship by descent and anomalies in the British Nationality Act that have taken too long to resolve. It should also consider options for removing quotas on the number of people in the OTs that can access NHS services in the UK when their own health systems cannot provide the care and treatment they need. This may be difficult from a bureaucratic point of view but it is an important test of the FCO's ability to fight the OTs' corner in the UK.

103 See: Campaign for British Citizenship ([OTS0011](#))

104 [Q87](#); Joint Committee on Human Rights, [Proposal for a draft British Nationality Act 1981 \(Remedial\) Order 2018](#), 23 May 2018, para 79

105 Foreign and Commonwealth Office ([OTS0132](#))

106 The West India Committee ([OTS0053](#))

107 Benito Wheatley ([OTS0095](#))

108 Chief Islander of Tristan da Cunha ([OTS0026](#))

OT divergence from the UK: same-sex marriage and belonging

61. From a UK perspective, a notable point of divergence and friction is same-sex marriage, which has been legalised in all but the five OTs in the Caribbean (Anguilla, BVI, the Cayman Islands, Montserrat, and Turks and Caicos), though this bar is currently being challenged in the courts in the Cayman Islands.¹⁰⁹ This means not only that same-sex couples cannot marry, it can also lead to restrictions on the ability of OT citizens to bring their same-sex spouse to live permanently in the territory, even if the couple was legally married outside the territory. The implications of this were outlined to us in a submission from Dr James Reeve, while the NGO Colours Cayman told us in its written submission that this puts OTs like the Cayman Islands in breach of international law.¹¹⁰ Despite this, Dr Peter Clegg told us, opposition to legalising same-sex marriage in the Caribbean OTs is strong:

It is certainly a problematic issue across the Caribbean, including within the Overseas Territories. It is divergent from the UK policy and approach in general. There are heated discussions, but there are certain actors within Overseas Territory societies and the Caribbean more generally, including church groups, who have fought and are fighting very strongly against any change to legislation.¹¹¹

We asked the elected leaders of Anguilla, Montserrat and TCI if they intended to legalise same-sex marriage. The TCI Premier said: “We consult our people when we make major changes—that is what I will say”. The Montserrat Premier said that it was important for the UK to recognise that “as separate territories, with ethnic diversity from your territory and cultural differences, we ought to be allowed to make decisions on matters such as same-sex marriages”. Anguilla’s Chief Minister said: “This is a cultural issue in our part of the world, and it is necessary to have consultation”.¹¹² We asked the BVI and Cayman Islands governments in writing to tell us if they would legalise same-sex marriage. BVI told us that its constitution defines marriage as between a man and a woman.¹¹³ The Cayman government did not respond.

62. In its submission, the FCO notes that progress towards same-sex marriage is “notably slower” in the Caribbean OTs than elsewhere and that “rights to same sex marriage are being contested”. It adds that the Government “has been clear that the OTs must fulfil their international obligations on the issue of LGBT equality. Encouraging legislative change continues to be a priority”.¹¹⁴

63. It is time for all OTs to legalise same-sex marriage and for the UK Government to do more than simply support it in principle. It must be prepared to step in, as it did in 2001 when an Order in Council decriminalised homosexuality in OTs that had refused to do so. The Government should set a date by which it expects all OTs to have legalised same-sex marriage. If that deadline is not met, the Government should intervene through legislation or an Order in Council.

109 Pink News, ‘[The UK has neglected LGBT+ people in British Overseas Territories in their hour of need](#)’, (12 February 2018)

110 Colours Cayman ([OTS0022](#)); Dr James Reeve ([OTS0083](#))

111 [Q54](#)

112 [Q181](#)

113 British Virgin Islands Government ([OTS0127](#))

114 Foreign and Commonwealth Office ([OTS0103](#))

64. The other point of divergence between the UK and many OTs is belongership. This status, or some variant of it, is enshrined in the constitutions of Anguilla, Bermuda, BVI, the Cayman Islands, the Falkland Islands, Gibraltar, Montserrat and Turks and Caicos. The term used to describe it varies; in the Falkland Islands, it is called Falkland Islands status, and Gibraltar and TCI have equivalents. In general, those who do not have belonger status, or the equivalent, cannot vote or hold elected office, even if they are permanently resident British Overseas Territories or UK citizens. In the case of the Turks and Caicos Islands, for example, its government says a belonger is “an individual who is free from immigration restrictions in relation to the amount of time they may remain in the islands”. According to the TCI government, “only belongers have all the rights normally associated with citizenship, such as voting”.¹¹⁵

65. We asked some OT leaders and representatives about belongership when they appeared before us. The Anguillan, Falkland and TCI leaders and representatives said it was possible to obtain but they did not say that they planned to repeal it. Teslyn Barkman from the Falkland Islands said: “There is a certain importance in enshrining what it is to be a Falkland Islander, so we have to put these gates up somewhere in terms of voting or being able to buy land or sell it on”.¹¹⁶ We asked the Bermuda, BVI and Cayman governments the same in writing. Bermuda said it was a devolved matter; the BVI government said that its constitution “recognizes the distinctive character and culture of the BVI and seeks to ensure its protection”.¹¹⁷ Cayman did not respond.

66. In its written submission, the FCO points to its 2012 OTs White Paper, which expressed the hope that the OTs would extend the franchise to non-belongers:

In some OTs, the size of the electorate is small compared with the overall population, with ‘belongership’ a constitutional prerequisite to qualify as an elector and to stand for election. The 2012 White Paper stated the UK Government’s belief that people who have made their permanent home in the OTs should be able to vote, but recognises the desire of island communities to maintain their cohesion and hence the need for a reasonable qualifying process. We hope for progress on this point in the future.¹¹⁸

Lord Ahmad told us that “The principle of the White Paper remains the case” but that the OTs “feel very strongly about the issue” and that it is “an issue that they should be ruling on”. He added that he did not intend to intervene.¹¹⁹

67. Belongership and its equivalents are wrong. While we recognise that the OTs are small communities with unique cultural identities, we do not accept that there is any justification to deny legally-resident British Overseas Territory and UK citizens the right to vote and to hold elected office. This elevates one group of British people over another and risks undermining the ties that bind the UK and the OTs together in one global British family. The UK Government should initiate a consultation with the elected governments of the OTs and work with them to agree a plan to ensure that there is a pathway for all resident UK and British Overseas Territory citizens to be able to vote

115 Turks and Caicos’ government: [Essential dimensions of immigration](#) [accessed 21/01/2019]. For individual perspectives see: Russell David ([OTS0006](#)); Mr Christopher Marshall ([OTS0034](#))

116 [Q183](#)

117 Government of Bermuda ([OTS0130](#)); British Virgin Islands Government ([OTS0127](#))

118 Foreign and Commonwealth Office ([OTS0103](#))

119 [Q242](#), [Q246](#)

and hold elected office in territory. In its response to this report the FCO should lay out a timetable for this consultation process and set a deadline for phasing out discriminatory elements of belonging, or its territory-specific equivalents.

5 Conclusion

68. Since the start of our Global Britain inquiry, we have repeatedly argued that the FCO needs to move forward by looking back. We have said that the FCO should resume responsibility for the UK's international trade and its relations with the EU and set the strategic direction of the UK's foreign policy as it did before so many other departments became involved in international relations. When it comes to the Overseas Territories, however, the FCO needs to do the opposite; it needs to give up rather than reclaim responsibility. In other policy areas the FCO must return to form but with the OTs it is stuck in the past. This is reinforcing the sense that many in the OTs have that they are not just far away from Britain but foreign. That is why we are calling on the UK Government to commission an independent review into cross-government engagement with the OTs and the FCO's management of its responsibilities towards them.

69. Parliament has a role to play too. It must ensure that, while the people of the OTs are not directly represented in Parliament, there is a forum for the effective scrutiny of the decisions taken in London that impact them directly. That is why we think the time is right to consider establishing a new formal mechanism by which the members of relevant select committees can scrutinise Government administration, expenditure and policy in relation to the OTs. Taken together, these and the other recommendations in this report can help to ensure that the bonds between the UK and the British Overseas Territories are strengthened and that together we can truly be a Global Britain.

Conclusions and recommendations

The OTs and the FCO

1. Some of the Overseas Territories feel that the Foreign and Commonwealth Office should not be the lead UK department for the OTs. Some believe that this arrangement reinforces the perception that the OTs are foreign and that it is not fit for purpose given the cross-government nature of the UK Government's modern relationship with the OTs. However, not all OTs agree and some feel that the FCO has long experience of working with the OTs, it has expertise in managing relationships with the countries that surround the OTs, and it deals on a daily basis with international treaty obligations relevant to the OTs. It is time for the UK Government to seriously engage with this issue and to do so in a fair and transparent manner. *Before the next full meeting of the OTs Joint Ministerial Council the Government should therefore commission an independent review into cross-government engagement with the OTs and the FCO's management of its responsibilities towards them. Drawing on international comparisons, this review should consider alternatives to the FCO and assess the costs, benefits and risks associated with moving primary responsibility for the OTs away from the FCO. The findings of the review should be presented to the House and shared with the elected OT governments as soon as is feasible* (Paragraph 21)
2. *There is a widespread feeling in the OTs that the quality and quantity of their communications with UK Government departments needs to improve. The OTs' needs extend far beyond the FCO and their voices must be heard elsewhere in Whitehall. Towards this end, the FCO should draw up plans for a secondment programme between government departments in the UK and the OTs, including assessing the likely costs and level of interest in UK Government departments. The FCO should include specific proposals, costs and a timeline for this in its response to this report.* (Paragraph 22)
3. *The FCO must ensure that the officials it appoints in the Overseas Territories have the skills necessary both to build constructive relationships with the OT governments and to ensure that the territory's governance meets the highest standards. In its response to this report, the FCO should explain the processes it has in place for advertising and recruiting for positions in the OTs, such as governorships, and what it does to consult the OT governments on these appointments. The FCO should also outline the training it provides to the officials it appoints in the OTs, both in advance of and during their postings, and how it assesses their performance.* (Paragraph 23)
4. There is no single name that properly describes the UK, the Overseas Territories and the Crown Dependencies as a collective family of nations and territories. *In its response to this report the FCO should lay out plans for a consultation on whether there should be a name and what such a name should be.* (Paragraph 24)
5. The people of the Overseas Territories are deeply proud of their British heritage and continue to feel a strong sense of loyalty to the Crown and a close bond with the United Kingdom. The flying of the flags of all Overseas Territories and Crown Dependencies in Parliament Square for the weekend of the Queen's Birthday Parade, "Trooping the Colour" and for all State Visits since 2012, has been a source of enormous pride in the OTs. To many in the OTs, this symbolised that they were fully

part of the British family and gave them long overdue recognition. However, their request to lay a Poppy Wreath on Remembrance Sunday at the National Service of Remembrance at the Cenotaph in Whitehall has not been accepted, thus far. There is a unanimous wish amongst the governments of the OTs that as their citizens have fought and died in the service of the Crown in various conflicts over the centuries, that they too should be able to pay tribute in the same way as Commonwealth nations, whose representatives lay a wreath each year at the Cenotaph. Since 2014, the Ambassador of Ireland has also been invited to lay a wreath in memory of Irish citizens who have served in the British Armed Forces, yet the OTs and the Crown Dependencies are still denied that same right. The Committee believes that it is time for this anomaly to be rectified. *Before Remembrance Sunday 2019, the Foreign Secretary should explore the possibility of extending an invitation to each OT to send a representative to lay their own wreath, or at the very least one wreath laid by a different OT representative each year.* (Paragraph 25)

The OTs and Parliament

6. Parliament has judged public registers of beneficial ownership to be a matter of national security. Those who seek to undermine our security and that of our allies must not be able to use the OTs to launder their funds. We cannot wait until public registers are a global norm and we cannot let considerations of competitiveness prevent us from taking action now. The lowest common denominator is not enough. While law enforcement agencies in the UK appear to have made relatively little use of their powers to request company information from the OTs, it is vital that this information can be accessed by the public, both in the UK and in countries where public money has been stolen by kleptocrats whose actions harm the UK and its allies. We welcome the FCO's assurances that it is working with the OTs to help them implement the Sanctions and Anti-Money Laundering Act. We commend the constructive approach the FCO has taken on this, despite the language used by some OT politicians. We profoundly regret, however, that public registers may not be published before 2023. It is simply not acceptable that this will be long after the deadline set out in the Act. *The Foreign Secretary, in co-operation with the elected governments of the OTs, should lay out before the Summer recess a clear and detailed timetable for the publication of registers of beneficial ownership in each OT.* (Paragraph 33)
7. We are aware that many people in the Overseas Territories feel that they do not receive the attention in Parliament that they might expect and that the Foreign Affairs Committee has not carried out a major OTs inquiry since 2008. Given the competing pressure of other policy areas, and the requirement to scrutinise the whole gamut of the Foreign Office's work, it is difficult to envisage another major OTs inquiry in this Parliament. This fails to do justice to the range and complexities of the issues facing the OTs, individually and collectively. Mindful of this, we believe the time is right to give serious consideration to establishing a formal mechanism by which members of the Foreign Affairs, Justice, International Development, EFRA and other relevant Committees are able collectively to scrutinise the UK Government's administration of, spending on and policies towards the OTs. (Paragraph 38)

UK funding for the OTs

8. The Committee notes that the Overseas Territory of St. Helena includes the separate and distinct territories of Ascension Island and Tristan da Cunha. These are both inhabited territories with a population that is not directly connected to St. Helena and have their own identities, elected governments and flags. Therefore, Ascension Island and Tristan da Cunha should be treated with equality as British Overseas Territories in their own right and the FCO should change their status to this effect. However, this change should not necessarily imply that the practice of St. Helena, Ascension Island and Tristan da Cunha sharing the same Governor should come to an end. (Paragraph 48)
9. The UK has a duty under international law to provide for the development of the OTs, but it also has a responsibility to UK taxpayers to ensure that the considerable amount of money it spends on the OTs is not wasted. This means not only transparency and accountability in day-to-day spending, but also ensuring that capital investment is genuinely capable of delivering the Government's long-term objective to ensure that the OTs are financially self-sufficient. We are seriously concerned by evidence suggesting that, despite significant capital investment in some OTs in recent years, much more remains to be done to provide infrastructure in OTs such as Montserrat, Tristan da Cunha and St Helena, with no clear end in sight. (Paragraph 54)
10. *The Government must offer clarity on its long-term vision for the funding of the OTs, including replacing any lost EU funding, and continuing and expanding Blue Belt funding after 2020. Towards this end, the Government should explore options for a dedicated development and stimulus fund for the OTs, which would allow for the long-term, sustainable development of aid-dependent territories; help to stimulate the economies of those who need a stimulus but do not qualify for official development assistance; and help territories that are otherwise financially self-sufficient respond to crises such as hurricanes. This long-term vision must be based on a clear-eyed assessment of how the UK will balance the needs of individual OTs against value for money for UK taxpayers. There must be scope to ask hard questions about the long-term sustainability and viability of individual OTs without further significant levels of UK capital investment. If the Government does not think significant capital investment is possible, then it must be frank about what it will spend and towards what end.* (Paragraph 55)
11. The UK Government must clarify the UK's future relationship with the European Union as soon as possible and analyse the impact on the OTs, what funding will be required to ensure the OTs are not losing out, and what input the OTs will have on the replacement of EU funding in the future. (Paragraph 56)

Points of friction in UK / OT relations

12. The Government should urgently address concerns in the OTs about the issue of citizenship by descent and anomalies in the British Nationality Act that have taken too long to resolve. It should also consider options for removing quotas on the number of people in the OTs that can access NHS services in the UK when their

own health systems cannot provide the care and treatment they need. This may be difficult from a bureaucratic point of view but it is an important test of the FCO's ability to fight the OTs' corner in the UK. (Paragraph 60)

13. It is time for all OTs to legalise same-sex marriage and for the UK Government to do more than simply support it in principle. It must be prepared to step in, as it did in 2001 when an Order in Council decriminalised homosexuality in OTs that had refused to do so. *The Government should set a date by which it expects all OTs to have legalised same-sex marriage. If that deadline is not met, the Government should intervene through legislation or an Order in Council.* (Paragraph 63)
14. Belongership and its equivalents are wrong. While we recognise that the OTs are small communities with unique cultural identities, we do not accept that there is any justification to deny legally-resident British Overseas Territory and UK citizens the right to vote and to hold elected office. This elevates one group of British people over another and risks undermining the ties that bind the UK and the OTs together in one global British family. *The UK Government should initiate a consultation with the elected governments of the OTs and work with them to agree a plan to ensure that there is a pathway for all resident UK and British Overseas Territory citizens to be able to vote and hold elected office in territory. In its response to this report the FCO should lay out a timetable for this consultation process and set a deadline for phasing out discriminatory elements of belongership, or its territory-specific equivalents.* (Paragraph 67)

Formal minutes

Wednesday 13 February 2019

Members present:

Tom Tugendhat, in the Chair

Chris Bryant	Priti Patel
Ann Clwyd	Andrew Rosindell
Mike Gapes	Mr Bob Seely
Stephen Gethins	Royston Smith
Ian Murray	

The following declarations of interest relating to the inquiry were made:

Tuesday 16 October 2018

Andrew Rosindell declared a non-pecuniary interest as a participant of the following groups:

Chairman of the All-Party Parliamentary Group for the Caribbean

Chairman of the British-Pacific Islands All-Party Parliamentary Group

Chairman of the United Kingdom Overseas Territories All-Party Parliamentary Group

Chairman of the British-Montserrat All-Party Parliamentary Group

Chairman of the Pitcairn Islands All-Party Parliamentary Group

Chairman of the British-Switzerland All-Party Parliamentary Group

Chairman of the Central America All-Party Parliamentary Group

Chairman of the Liechtenstein All-Party Parliamentary Group

Chairman of the Isle of Man All-Party Parliamentary Group

Chairman of the Channel Islands All-Party Parliamentary Group

Chairman of the Commonwealth All-Party Parliamentary Group

Chairman of the Canada All-Party Parliamentary Group

Chairman of the Conservative Friends of Gibraltar

Chairman of the Chagos Islands (British Indian Ocean Territory) All-Party Parliamentary Group

Parliamentary Advisor of the Friends of the British Overseas Territories

Vice Chairman of the All-Party Parliamentary Group for the Cayman Islands

Vice Chairman of the All-Party Parliamentary Group for Denmark

Vice Chairman of the All-Party Parliamentary Group for Bermuda

Co-Chairman of the British-Irish Parliamentary Assembly

Governor of the Westminster Foundation for Democracy

Chairman of the UK-Norfolk Island Friendship Group

Secretary of St Helena All-Party Parliamentary Group

Secretary of Falkland Islands All-Party Parliamentary Group

He also declared an interest as a participant in two trips in 2018 to the Cayman Islands and Gibraltar funded by the governments of the Cayman Islands and Gibraltar respectively.

Mike Gapes declared a non-pecuniary interest in relation to the Committee's inquiry into the future of the Overseas Territories as Chairman of the All-Party Parliamentary Group on Anguilla. He also declared an interest as a participant in a trip to Gibraltar in 2018 funded by the government of Gibraltar.

Ian Murray declared an interest in relation to the Committee's inquiry into the future of the Overseas Territories as a participant on a visit to the Falkland Islands in 2013 funded by the government of the Falkland Islands.

Declarations of interest were also repeated on 5 December 2018 and 18 December 2018.

Draft Report (*Global Britain and the British Overseas Territories: Resetting the relationship*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 32 read and agreed to.

Paragraph 33 read.

Amendment proposed, to leave out from "funds" in line 3 to "while" in line 5.—(*Andrew Rosindell*.)

Question put, That the amendment be made.

The Committee divided.

Ayes, 1	Noes, 8
Andrew Rosindell	Chris Bryant
	Ann Clwyd
	Mike Gapes
	Stephen Gethins
	Ian Murray
	Priti Patel
	Mr Bob Seely
	Royston Smith

Question accordingly negatived.

Amendment proposed, in line 8, to leave out first “public” and insert “law enforcement authorities”.—(*Andrew Rosindell*.)

Question put, That the amendment be made.

The Committee divided.

Ayes, 1	Noes, 8
Andrew Rosindell	Chris Bryant
	Ann Clwyd
	Mike Gapes
	Stephen Gethins
	Ian Murray
	Priti Patel
	Mr Bob Seely
	Royston Smith

Question accordingly negatived.

Paragraph agreed to.

Paragraphs 34 to 37 read and agreed to.

Paragraph 38 read, amended and agreed to.

Paragraphs 39 to 62 read and agreed to.

Motion made, to leave out paragraph 63 and insert the following new paragraph:

“The UK Government should work in close co-operation and mutual respect with the elected governments of all OTs, to ensure that the rights and freedoms of all British citizens are equal across all jurisdictions within the “UK family”, including marriage, and encourage the OTs to bring about legislative change that may be necessary to achieve this.”—(*Andrew Rosindell*.)

Question put, That the new paragraph be read a second time.

The Committee divided.

Ayes, 4	Noes, 5
Priti Patel	Chris Bryant
Andrew Rosindell	Ann Clwyd
Mr Bob Seely	Mike Gapes
Royston Smith	Stephen Gethins
	Ian Murray

Question accordingly negatived.

Motion made, to leave out paragraph 63 and insert the following new paragraph:

“It is time for those Overseas Territories that have not yet legalised same-sex marriage to do so, to help ensure that the UK and the OTs are bound together by a common set of values. The UK Government must do more than simply support same-sex marriage in

principle and should be ready to intervene if necessary, as it did in 2001 when an Order in Council decriminalised homosexuality in those OTs that had not done so already. Working co-operatively with the OT governments and civil society groups in the OTs, the Government should set a deadline by which it expects all OTs to have legalised same-sex marriage. The Government should lay out a timetable for this in its response to this report.”—(*The Chair*.)

Question put, That the new paragraph be read a second time.

The Committee divided.

Ayes, 1	Noes, 8
Mr Bob Seely	Chris Bryant
	Ann Clwyd
	Mike Gapes
	Stephen Gethins
	Ian Murray
	Priti Patel
	Andrew Rosindell
	Royston Smith

Question accordingly negated.

Question put, That paragraph 63 stand part of the Report.

The Committee divided.

Ayes, 7	Noes, 2
Chris Bryant	Andrew Rosindell
Ann Clwyd	Royston Smith
Mike Gapes	
Stephen Gethins	
Ian Murray	
Priti Patel	
Mr Bob Seely	

Paragraph accordingly agreed to.

Paragraphs 64 to 66 read and agreed to.

Paragraph 67 read, as follows:

“Belongership and its equivalents are wrong. There can be no excuse for denying any British Overseas Territories or UK citizen the right to vote and run for office if they are legally resident in a territory. It is time to phase out belongership and its equivalents. If individual OTs are not willing to do so, the UK should intervene. The FCO should carry out an audit of each territory with a belongership system and what limitations this places on those that are resident and hold UK or BOT citizenship but do not hold belonger status. This should include territory-specific equivalents to belongership, such as Bermudian Status and Falkland Islands Status.”

Motion made, to leave out paragraph 67 and insert the following new paragraph:

“The status of a believer or its equivalent is seen by many as giving a permanent special status to one group of British people against another, who may also be British, but who were not born in the territory. The Committee accepts that small communities such as OTs need different rules to protect them from a possible large influx of people who do not have roots from the territory gaining disproportionate influence, before they have shown a long-term commitment to the well-being of that territory. However, all British citizens must eventually be entitled to qualify for equal citizenship of an OT, following a reasonable period. The UK Government should initiate a consultation with the elected governments of the OTs and work with them to agree a plan to ensure that there is pathway for all British citizens to be able to vote and stand for office in a British Overseas Territory, with the aim of ensuring equal rights for all British people whichever part of the “UK family” they may originate from. Any legislative change to existing laws should only happen through persuasion and via the elected parliaments and assemblies of each OT. It would be wrong of the UK to impose radical changes against the wishes of the people of the territories and their elected governments.”—(*Andrew Rosindell*.)

Question put, That the new paragraph be read a second time.

The Committee divided.

Ayes, 1	Noes, 8
Andrew Rosindell	Chris Bryant
	Ann Clwyd
	Mike Gapes
	Stephen Gethins
	Ian Murray
	Priti Patel
	Mr Bob Seely
	Royston Smith

Question accordingly negated.

Amendment proposed, to leave out from “wrong” in line 1 to end and insert:

“While we recognise that the OTs are small communities with unique cultural identities, we do not accept that there is any justification to deny legally-resident British Overseas Territory and UK citizens the right to vote and to hold elected office. This elevates one group of British people over another and risks undermining the ties that bind the UK and the OTs together in one global British family. The UK Government should initiate a consultation with the elected governments of the OTs and work with them to agree a plan to ensure that there is a pathway for all resident UK and British Overseas Territory citizens to be able to vote and hold elected office in territory. In its response to this report the FCO should lay out a timetable for this consultation process and set a deadline for phasing out discriminatory elements of belonging, or its territory-specific equivalents.”—(*The Chair*.)

The Committee divided.

Ayes, 5	Noes, 3
Ann Clwyd	Chris Bryant
Mike Gapes	Stephen Gethins
Priti Patel	Andrew Rosindell
Mr Bob Seely	
Royston Smith	

Question accordingly agreed to.

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 5	Noes, 3
Ann Clwyd	Chris Bryant
Mike Gapes	Stephen Gethins
Priti Patel	Andrew Rosindell
Mr Bob Seely	
Royston Smith	

Paragraph, as amended, accordingly agreed to.

Paragraphs 68 and 69 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Fifteenth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Tuesday 26 February at 2.15pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 16 October 2018

Question number

Susie Alegre, Director, Island Rights Initiative, and **George Fergusson**, former Governor of Bermuda and (non-resident) Governor of Pitcairn [Q1–38](#)

Dr Peter Clegg, Associate Professor in Politics and International Relations, University of the West of England, and **Eric Bush**, Cayman Islands Representative to the UK and EU, and Chair, UK Overseas Territories Association [Q39–86](#)

Tuesday 6 November 2018

Elise Donovan, British Virgin Islands Government representative in the UK and the EU, and **Janice Panton**, Montserrat Government representative in the UK [Q87–140](#)

Jonathan Hall, Head, UK Overseas Territories Unit, Royal Society for the Protection of Birds, and **Dr Mike Pienkowski**, Chair, UK Overseas Territories Conservation Forum [Q141–161](#)

Wednesday 5 December 2018

Hon. Victor F. Banks, Chief Minister of Anguilla, **Hon. Donaldson Romeo**, Premier of Montserrat, **Hon. Sharlene Cartwright-Robinson**, Premier of the Turks and Caicos Islands, and **Hon. Ms. Teslyn Barkman**, Member of the Falkland Islands Legislative Assembly [Q162–195](#)

Councillor Leslie Jaques OBE, Government of Pitcairn Islands, **Councillor Derek Thomas**, Member of the St Helena Legislative Assembly, **Mr Ian Lavarello**, Chief Islander of Tristan da Cunha, and **Councillor Keturah George**, Ascension Island Council [Q196–220](#)

Tuesday 18 December 2018

Lord Ahmad of Wimbledon, Minister of State for the Commonwealth and the UN, and **Ben Merrick**, Director, Overseas Territories, Foreign and Commonwealth Office [Q221–298](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

OTS numbers are generated by the evidence processing system and so may not be complete.

- 1 Alquimi Renewables, LLC and Thermal Energy Partners LLC ([OTS0009](#))
- 2 Anguilla Christian Council (ACC) ([OTS0104](#))
- 3 Anguilla Finance ([OTS0048](#))
- 4 Anne Cassell ([OTS0029](#))
- 5 Ascension Island Council ([OTS0119](#))
- 6 Avaline Potter ([OTS0059](#))
- 7 Benito Wheatley ([OTS0095](#))
- 8 Benjamin Roberts ([OTS0036](#))
- 9 British Virgin Islands Government ([OTS0079](#))
- 10 British Virgin Islands Government ([OTS0127](#))
- 11 Campaign for British Citizenship ([OTS0011](#))
- 12 Cane Garden Bay Baptist Church ([OTS0054](#))
- 13 Capt. Colin Fergus ([OTS0064](#))
- 14 Caribbean Conservation Network ([OTS0078](#))
- 15 Cayman Finance ([OTS0074](#))
- 16 Cayman Islands Government ([OTS0109](#))
- 17 Chief Islander of Tristan da Cunha ([OTS0026](#))
- 18 Colours Cayman ([OTS0022](#))
- 19 Colours Cayman ([OTS0031](#))
- 20 David Brandt ([OTS0097](#))
- 21 Denzil West ([OTS0075](#))
- 22 Dominic Thomas-James ([OTS0018](#))
- 23 Donaldson Romeo ([OTS0111](#))
- 24 Dr Alasdair Pinkerton & Dr Matthew C. Benwell ([OTS0069](#))
- 25 Dr James Reeve ([OTS0083](#))
- 26 Dr Leonardo Raznovich ([OTS0122](#))
- 27 Dr Peter Clegg ([OTS0020](#))
- 28 Elected Members of the St Helena Legislative Council ([OTS0049](#))
- 29 Embassy of France ([OTS0128](#))
- 30 Equality & Human Rights Commission, St Helena ([OTS0013](#))
- 31 Falkland Islands Government ([OTS0106](#))
- 32 Falkland Islands Government ([OTS0124](#))
- 33 Foreign and Commonwealth Office ([OTS0103](#))

- 34 Foreign and Commonwealth Office ([OTS0120](#))
- 35 Foreign and Commonwealth Office ([OTS0123](#))
- 36 Foreign and Commonwealth Office ([OTS0132](#))
- 37 Friends of the British Overseas Territories (FOTBOT) ([OTS0089](#))
- 38 George Fergusson ([OTS0110](#))
- 39 Government of Bermuda ([OTS0130](#))
- 40 Government of the British Virgin Islands ([OTS0115](#))
- 41 Harv Edge ([OTS0108](#))
- 42 HM Government of Gibraltar ([OTS0107](#))
- 43 Hon Joseph Easton Farrell ([OTS0024](#))
- 44 International Financial Centres Forum ([OTS0094](#))
- 45 Jean Kelsick ([OTS0055](#))
- 46 John Knox ([OTS0002](#))
- 47 Kattina Anglin ([OTS0096](#))
- 48 Montserrat Association for Persons with Disabilities ([OTS0012](#))
- 49 Mr Christopher Marshall ([OTS0034](#))
- 50 Mr Jamal Smith ([OTS0027](#))
- 51 Mr Jerzy Kolodziej ([OTS0080](#))
- 52 Mr John Turner ([OTS0005](#))
- 53 Mr Kedrick Malone ([OTS0100](#))
- 54 Mr Lawrence Sticca ([OTS0084](#))
- 55 Mr Lee Ingham ([OTS0060](#))
- 56 Mr Michael Jarvis ([OTS0008](#))
- 57 Mr Peter Moll ([OTS0035](#))
- 58 Mr Peter Sanderson ([OTS0081](#))
- 59 Mr Tari Trott ([OTS0058](#))
- 60 Mr Timothy Adam ([OTS0101](#))
- 61 Mrs Dancia Penn ([OTS0085](#))
- 62 Mrs Medita Wheatley ([OTS0086](#))
- 63 Mrs Tecla Henry-Benjamin ([OTS0091](#))
- 64 Ms Dorothea Hodge ([OTS0090](#))
- 65 Ms Kavita Frary ([OTS0062](#))
- 66 Ms Shelley Harris ([OTS0056](#))
- 67 Ms Shirley Osborne ([OTS0092](#))
- 68 Ms Susie Alegre ([OTS0052](#))
- 69 New Zealand High Commission, UK ([OTS0116](#))
- 70 Office of the Premier of Montserrat ([OTS0082](#))
- 71 Oxfam GB ([OTS0072](#))

- 72 Paul Mildon ([OTS0121](#))
- 73 Poiesis Techne Ltd & Archer's Mark International Ltd ([OTS0125](#))
- 74 Professor Nicola Barker ([OTS0015](#))
- 75 Professor Robert Marsh, Professor Emma Tompkins and Dr Yue Zhang ([OTS0112](#))
- 76 Rodney Smith ([OTS0038](#))
- 77 Royal Danish Embassy, UK ([OTS0117](#))
- 78 RSPB ([OTS0070](#))
- 79 Rt Hon Dr Lowell Lewis ([OTS0017](#))
- 80 Russell David ([OTS0006](#))
- 81 South Georgia Heritage Trust ([OTS0050](#))
- 82 St Helena Chamber of Commerce ([OTS0028](#))
- 83 St Helena Government ([OTS0061](#))
- 84 St Helena Government ([OTS0129](#))
- 85 St Helena Tourism Association ([OTS0025](#))
- 86 Sylvia Gabriel ([OTS0071](#))
- 87 Tabitha Sprague ([OTS0066](#))
- 88 Terence Silcott ([OTS0021](#))
- 89 The Honourable Everard Trenton Richards ([OTS0040](#))
- 90 The Office of the Montserrat Legislative Assembly ([OTS0093](#))
- 91 The West India Committee ([OTS0053](#))
- 92 Tom Keatinge ([OTS0118](#))
- 93 Transparency International UK ([OTS0126](#))
- 94 Transparency International UK and Global Witness ([OTS0016](#))
- 95 Turks and Caicos Forum ([OTS0037](#))
- 96 Turks and Caicos Islands Human Rights Commission ([OTS0041](#))
- 97 UK Chagos Support Association ([OTS0073](#))
- 98 UK Overseas Territories Conservation Forum ([OTS0114](#))
- 99 UK Overseas Territories Conservation Forum ([OTS0067](#))
- 100 United Kingdom Overseas Territories Association ([OTS0113](#))
- 101 Vernon Jeffers ([OTS0042](#))
- 102 Virgin Islands Public Meetings ([OTS0047](#))
- 103 Youth Alliance ([OTS0065](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

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Third Special Report	'Political Islam', and the Muslim Brotherhood Review: Government Response to the Committee's Eighth Report of Session 2016–17	HC 334

Fourth Special Report	Violence in Rakhine State and the UK's response: Government Response to the Committee's First Report	HC 868
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Tenth Special Report	Global Britain: Government response to the Committee's 6th Report	HC 1236
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Eighteenth Special Report	UK arms exports during 2016: Government Response to the Committees' First Joint Report	HC 1789
Nineteenth Special Report	Delivering Global Britain: FCO Skills: Government Response to the Committee's Fourteenth Report	HC 1937