Governor of Bermuda update on Cannabis Licensing Bill



I previously announced that I had reserved the Cannabis Licensing Bill 2022 for the signification of Her Majesty's pleasure under Section 35 (2) of The Bermuda Constitution.

I have now received an instruction, issued to me on Her Majesty's behalf, not to Assent to the Bill as drafted.

The Secretary of State for Foreign, Commonwealth and Development Affairs concluded that the Bill, as currently drafted, is not consistent with obligations held by the UK and Bermuda under the 1961 Single Convention on Narcotic Drugs and the 1971 Convention on Psychotropic Substances.

I have informed the Premier and relayed the UK's continued desire to work with Bermuda on reforms within the scope of our existing international obligations.

Her Excellency Ms Rena Lalgie Governor and Commander-in-Chief of Bermuda Note to Editors:

• In terms of cannabis reform, the key international obligations are set out in United Nations Conventions (the 1961 Single Convention on

Narcotic Drugs, and the 1971 Convention on Psychotropic Substances). The Conventions permit legislation of cannabis and cannabis products for medicinal and scientific purposes, and for certain industrial purposes, as long as appropriate regulatory oversight is put in place.

- The legislation of cannabis for other purposes is not permitted under the Conventions. It is possible to decriminalise the possession of limited amounts of cannabis for personal use, but that is not the same as making cannabis legal, for example, for sale in shops and cafes.
- The Secretary of State for Foreign, Commonwealth and Development Affairs concluded that Bill legalises cannabis for other purposes.

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1. 7 September 2022

Governor statement, 6 September, on Bermuda Cannabis Licensing Bill 2022.

2. 7 September 2022

First published.

<u>Dstl careers: Emily, working in the world of fast jets</u>

Emily is a scientist and joined the Defence Science and Technology Laboratory (Dstl) on its graduate scheme after completing a Bachelors in Mathematics at the University of East Anglia.

I initially applied for a role as a Missile Analyst with Weapons Systems Group, being attracted to having the ability to apply my Mathematics degree to real world scenarios and make an impact to a sector that isn't solely motivated by profits. During this interview, I was identified as having sufficient technical knowledge but lacking military awareness and it was recommended that I join the graduate scheme.

During Emily's time on the graduate scheme, she was given the opportunity to rotate through the many areas of Dstl's Platforms Division and experience

everything it had to offer.

One of my first tasks was with the Combat Air Survivability Simulation team, which gave me an insight into the world of fast jets and their capabilities and developments. This team allowed me to develop my coding skills by teaching me new languages in a hands-on environment, delivering tools and conducting data analysis from the outset.

Emily enjoyed the scheme and working with the team so much that she chose to join them full time, and was offered a permanent position.

The team is close-knit, supporting each other both technically and socially, often working late nights together to ensure deadlines are met and capabilities are delivered. This supportive style of working allowed me to develop my skills from industry leading experts alongside making friends, not just colleagues.

The role has given Emily the opportunity to work closely with the military, which has provided her with countless opportunities to gain insights into the way they work — which she wouldn't get to see or understand outside of the role.

As part of the 2-year graduate scheme, I was fortunate to complete a 6-month external placement at Combat Air Force HQ, working alongside the pilots and ground staff to deliver a modelling tool to look into their workforce and training pipelines and assess their future capability. This gave me an unparalleled insight into the military and problems they face and allowed me to deliver a tool that could help shape the future of the force.

At the end of the scheme, Emily joined the simulation team full time and has continued to develop her technical skills. She has also been given the opportunity to be a Deputy Team Leader for the technical team and a Graduate Team Leader for the scheme.

This progression has allowed me to develop my leadership skills and confidence and has set me up for a strong career at Dstl.

Searching for innovations to keep submarines clean

- DASA has launched a new Market Exploration: How Clean is your Hull?
- Launched on behalf of the Royal Navy
- This Market Exploration is seeking to find technical solutions to tackle unwanted biofouling on Royal Navy submarine hulls

The Defence and Security Accelerator (DASA) is pleased to launch a new Market Exploration on behalf of the Royal Navy, called How Clean is your Hull? Our aim is to find novel solutions to the issue of bio-fouling on submarines, to help keep Britain's undersea fleet clean, covert, and capable.

Do you have an innovative solution? Read the full Market Exploration now and submit your idea.

The biofouling challenge and keeping hulls clean

Our Market Exploration seeks to find technical solutions to tackle unwanted biofouling, which is the accumulation of natural organisms on submerged surfaces (such as submarine and boat hulls) that may be detrimental to the overall function of the vessel.

DASA is searching for mechanical and/or chemical methods of cleaning, as well as novel ways of detecting and classifying different biological material.

We are looking for innovations that:

- can deal with complex hull geometry and the small surface areas of submarine structures
- do not damage or interfere with the purpose of acoustic tiles or sensor arrays
- are environmentally compliant and do not pose wider risk to the natural environment
- sit on the <u>Technology Readiness Level (TRL)</u> spectrum and mitigate the negative impact of bio-fouling on a submarine's signature and performance.

De-fouling could be undertaken when the submarine is at sea or docked in port. If your solution can be used while the submarine is at sea, it should be battery powered and no larger than $1.5m \times 1m \times 0.5m$. It would be advantageous if solutions were easily transportable, allowing them to be used without complex base infrastructure support.

Key dates

The market exploration is currently open. The deadline to submit proposals is

Submit your innovation

Let us know if you have a novel solution that can effectively remove the biological material that accumulates on submarine hulls to help preserve the battle-winning edge of the submarine fleet, and support efforts to reduce the environmental impact of the Royal Navy.

Read the full Market Exploration and submit your proposal.

The future for environmental regulation and opportunities for the UK to lead internationally

We need good regulation to meet the challenges ahead.

This summer we have experienced the highest ever temperature, the worst drought since the 1970's and the driest ever July in the south east of the country. Our natural eco-systems and biodiversity are under increasing pressure and threat. We need to be ready for more of these conditions as our climate changes.

We now have increasing public expectations and interest in the environment. The covid pandemic has heightened public awareness and expectations in the environment, undoubtedly leading to wider recognition of the benefits to health and well-being from thriving green and blue spaces.

So, I ask - is our regulatory system up to meeting the challenges? A question not only posed by climate change and moving to a low carbon net zero future, but also the need to become more sustainable, to embed a circular economy and above all to protect people and wildlife.

On the 18th of January, James Bevan our CEO spoke to this Forum on 'How to regulate better after Brexit: Think differently, speak softly and carry a bigger stick'.

He was right; we do need to think differently. Much of our framework for environmental regulation was put in place to manage fossil fuel powered processes and technologies. And here at the Environment Agency we have some ideas on how this needs to change.

In my 25 years as a regulator, I have seen many improvements that regulation can deliver, for example:

Substantial reductions in radioactive discharges to the marine environment so that additional concentrations in the environment are close to zero.

Substantial reductions in pollutants from industry to air — such as oxides of sulphur and nitrogen, particulate matter, greenhouse gases and methane.

The vast majority of the activities we regulate are in compliance with their requirement. We publish details of these activities every year in our annual Regulating for People the Environment and Growth reports.

There is quite righty a focus on the water environment — and there are success to report, such as: significant investment in water treatment infrastructure, leading to:

Real improvements in bathing water quality with over 98% meeting or exceeding the required standards, and greater biodiversity in our rivers, as a result of reductions in organic pollution phosphorous and ammonia from monitored discharges.

But.... we know that there are still big challenges.

Despite improvements, 86% of our rivers have not reached good ecological status.

In our Water Company Performance report only one third of companies were rated as industry leading, the remaining two thirds were rated as poor or requiring improvement. There is quite rightly considerable public concern on their performance and the state of our rivers. Our Chair has called the sector's performance on pollution 'shocking'.

Monitors on storm overflows, installed at our insistence, show that these operate and spill into our rivers too frequently. This is currently the subject of a major investigation by the Environment Agency.

It's not just water companies, farming is responsible for about 40% of water body failures. It is one of the sectors that causes a large number of serious pollution incidents, there's no point just cleaning-up the water industry to improve water quality; action on pollution and discharges from farms and other polluters is also needed.

Away from water, waste and other environmental crimes continues to be a scourge on society and costing the economy an estimated £900 million per year

The regulatory framework is complicated, in places too prescriptive, and can be slow to adapt as novel risks emerge from changing practices, new chemicals and substances, or as our knowledge and understanding of risks change.

Innovations in areas like healthcare and manufacturing bring their own environmental challenges. Challenges such as anti-microbial resistance, and the ubiquitous presence of 'forever' chemicals requires global solutions, and that's why the EA supports the government as one of the leading countries on the new United Nations Global Science-Policy Panel on Chemicals, Waste and Pollution Prevention.

So, what does future environmental regulation look like?

Whilst, ultimately, this is a question that will be decided by Government, I offer the following:

Regulation for a fossil fuel driven economy may no longer be appropriate as we transition to a low carbon net zero economy. At the Environment Agency we are already supporting businesses who wish to trial the use of hydrogen in their processes or are developing technologies for carbon dioxide capture and storage; we are ensuring that our regulation is fit to support the development of advanced nuclear technologies and fusion in the production of energy.

If we are to deliver the outcomes in the government's 25-year plan and improve our environment, nature and health and wellbeing, then there is still a role for traditional regulation. There will still be the need to set standards, and targets, limits on capacities and throughputs and the need for restrictions on chemicals and substances.

But there are some 'must haves' to regulation for the future if we are to better support the innovation and technologies that don't yet exist — across healthcare, the food system, energy etc: it must have sufficient scope, be adaptable, fast paced, risk based, outcome focussed. Regulation must have a progressive framework that is flexible and proportionate, and makes it easier to dial up and dial down the level of intervention as the risks and our understanding of the risks change.

There will continue to be innovations in monitoring, analysis and evaluation, which will support the development of sound evidence and inform all aspects of the regulatory cycle, from policy development, and choice of tools through to individual enforcement actions.

Digital, big data and greater use of citizen science, will help regulators better focus on the highest risk activities and concentrate on where we can make the biggest contributions to outcomes, for example:

The Environment Agency are continuing to invest in digital technologies. We already have systems in place for online registrations and fishing rod licences. We are trialling and rolling out a system of e-alerts for water abstraction licence holders, replacing a paper and letter-based system with electronic alerts. Reducing the time it takes from days to minutes when informing licence holders whether they are able or not able to abstract water. Having benefits for both licence holders and the environment.

Sadly, there still needs to be a big stick, to make sure that offenders are held to account. The deterrent for illegal or criminal activities should outweigh any benefits.

Also, the future needs to be about carrots as well as big sticks. If we are to meet our ambitious targets, regulation and regulators need to support and encourage the front runners. Those who have a positive attitude, who want to do the right things and go beyond compliance.

We have been working on a Regulators Pioneer fund funded SEEBEYOND project, with the Food and Drink sector and Cambridge University. Through the SEEBEYOND project we are exploring how to standardise environmental metrics to measure beyond compliance and help harness moral and market incentives to improve environmental performance of the Food and Drink sector, focussing on GHG emissions, waste, water, and materials usage. This is learning that has the potential to be scaled to other sectors and environmental indicator areas over time.

Regulation will need to work with, support and integrate with fiscal and economic instruments, for example the Environment Agency administers a £bn carbon market through its trading schemes.

Environmental and financial regulation must evolve in lockstep. Greening finance creates opportunities for businesses and the financial sector to go beyond compliance to invest in the solutions for climate and nature challenges. To be most effective these investments and the data that supports them should be grounded in science and verified by experts, such as the Environment Agency.

We have been supporting colleagues in the Treasury and Government to develop technical detail for the UK green taxonomy on climate (mitigation and adaptation) and will continue to provide inputs on the four remaining areas of the taxonomy, at the government's request.

Looking outwards and inwards.

Having left the European Union, we have an opportunity to review, renew and reform our environmental law for the better.

In a rapidly changing world, we need to rise to the challenge of regulating emerging industries to support innovation whilst responding to emerging environmental issues to limit environmental harm and maintain public trust.

Regulators and regulations need to work with international standards such as ISO 14001 on environmental management systems and ISO 14090 on Adaptation to climate change and the certification and assurance industry.

We need to continue working with colleagues in the international arena such as the IAEA, OECD, Agile Nations Network, so we can share learning and best practice and better understand what good looks like.

There needs to be a discussion across the breadth of society about risk, costs and benefits, and options, so that regulation continues to work and protect all members of society.

We should not be afraid to rigorously review our regulatory systems and hold ourselves to account; building on our successes, but shining a light where changes are needed. Only by continuing to do so will we deliver the better outcomes for sustainable business, people and the environment.

Environmental regulation has been evolving and developing for the last 170 years, it needs to continue to evolve and develop to be fit for the future.

Get this right, and the UK will continue to be a leader in developing and applying good regulation and sharing our lessons, so we not only protect and improve our own environment, but are leaders in environmental protection and improvement across the world.

Chancellor Kwasi Kwarteng sets out economic priorities in first meeting with market leaders

- Chancellor Kwasi Kwarteng met with market and city leaders this morning (Wednesday) and set out the Prime Minister's new, pro-growth economic approach.
- This approach includes immediate support for families and businesses, supporting the economy to grow, and fiscal sustainability.
- The Chancellor also emphasised the importance of supporting the independent Bank of England's mission to get inflation under control quickly.

Chancellor Kwasi Kwarteng met market leaders this morning (Wednesday) and set out the government's new, pro-growth economic approach.

Kwasi Kwarteng began by acknowledging the extraordinary challenges that families and businesses across the UK are facing this Winter, exacerbated by Putin's barbaric invasion of Ukraine. He stressed that the government will immediately focus on supporting families and businesses to navigate the gas crisis this winter and next, supporting the economy to grow, and committing to fiscal sustainability.

Speaking after the meeting, Chancellor Kwasi Kwarteng said:

"We face extraordinary economic challenges in the coming weeks and months and I know that families and businesses across the UK are worried.

"The Prime Minister and I are committed to taking decisive action to help the British people now, while pursuing an unashamedly pro-growth agenda.

"We need to be decisive and do things differently. That means relentlessly focusing on how we unlock business investment and grow the size of the British economy, rather than how we redistribute what's left.

"With a strong and resilient economy, we deliver more jobs, higher wages, and raised living standards — all while reducing our debt-to-GDP ratio in a fiscally sustainable way."

Due to the scale of the gas crisis, the government's first priority will be

to support families and businesses in the immediate term. The Chancellor was clear this will mean necessary higher borrowing in the short-term whilst ensuring monetary stability and fiscal discipline over the medium term. He committed to ensuring the economy grows faster than our debts and keeping debt as a proportion of our economy on a downward path.

The Chancellor also reiterated his full support for the independent Bank of England and their mission to control inflation, which is central to tacking cost of living challenges.

Mr Kwarteng stressed that the government will support the economy to grow. He recognised that the rate of growth has been too low and committed to a radical supply side agenda to deliver lasting economic growth. This will mean creating the right conditions for business investment and innovation, reducing burdensome regulation and taxes, which will in turn create jobs, wealth and drive economic growth.

The Chancellor reiterated his aim to get to 2.5% trend growth, delivering a stronger economy and a Britain that works for everyone.

Further information

Meeting attendees:

- Salman Ahmed, Global Head of Macro and Strategic Asset Allocation, Fidelity
- Lionel Assant, Senior Managing Director, Blackstone
- Amanda Blanc, CEO, Aviva -
- Stephen Cohen, Head of EMEA, Blackrock
- Constantin Cotzias, Director, Bloomberg Europe
- Richard Gnodde, CEO, Goldman Sachs International
- Beatriz Martin, CEO UK & Group Treasurer, UBS
- Charlie Nunn, Group CEO, Lloyds Banking Group
- Noel Quinn, Group CEO, HSBC
- Viswas Raghavan, CEO EMEA & Co-Head Global Investment Banking, JP Morgan
- Alison Rose, Group CEO, Natwest
- David Schwimmer, CEO, London Stock Exchange Group
- CS Venkatakrishnan, Group CEO, Barclays
- Nigel Wilson, CEO, Legal and General