



Le Travailleur D'Cauchie (Jersey Docker) - Colin Miller's tribute to Jersey's maritime heritage

## Export Strategy 2023-2026

### Executive Summary





# Foreword

Deputy Kirsten Morel



From ships to oysters and potatoes to trusts, Jersey has a long history of exporting goods and services, and our economic success is largely dependent upon them.

Yet despite their importance to the economy and Island, exports have never been the subject of a dedicated export strategy or vision. This document sets out both a vision and a plan for strengthening and diversifying Jersey's export industries.

The vision is to increase the variety and value of exports from Jersey so that a more sustainable, innovative, outward-facing and prosperous economy can be developed. In doing so, we will help Jersey businesses to unlock greater economies of scale, improve productivity and grow the economy.

The publication of this strategy comes at a time of global economic uncertainty, where the importance of international trade is clear, and we are able to see the stark impacts of its disruption through higher prices.

Jersey is facing a number of challenges: low productivity, a rising cost of living, a skills deficit, and an ageing population. Without intervention, these challenges will lead us to have low or no economic growth and will ultimately lead to a reduction in living standards. If we want Islanders to enjoy the same standard of living in 2040 as they do today, we have to take action now.

Jersey is in a strong position as our financial services and agricultural sectors are already of international repute, giving us a foundation from which to develop and diversify into other export sectors. This strategy is the starting point for looking thematically across multiple sectors. It sets out a plan to help Jersey companies develop their exports and take advantage of our geographical position and business environment.

Exporting will enable businesses to reach scales of economic growth that would not be possible in our domestic market alone. As our economic history proves, exports are a clear route to unlocking productivity growth and enabling Islanders to enjoy a diverse and resilient economy.

The implementation of this strategy will only be possible through collaboration between Government, Jersey's arm's length bodies, and Jersey businesses. I therefore encourage and challenge all businesses to think about their export potential and to take advantage of the advice and support that will be available.

Recognising this as the opening chapter, I look forward to each annual update as our exporting capabilities develop to enable a more sustainable, innovative, outward-facing and prosperous economy.

**Deputy Kirsten Morel**

Minister for Economic Development, Tourism, Sport and Culture



# Executive Summary

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Jersey's economic success is built upon exports: our population size means that, for businesses to grow and thrive, they must access markets and customers beyond our shores. Our exporting strength has long come from our ability to produce products and services of the highest quality, find new market opportunities, and the agility and skills to exploit them.

The vision:  
to increase the variety and  
value of exports from Jersey  
to develop a more sustainable,  
innovative, outward-facing and  
prosperous economy.

While our current exports are principally financial services and tourism, we cannot take their success for granted, so this strategy focuses on diversifying exports (products and services) from all other sectors. It is not about picking winners or choosing specific markets. Instead, this strategy seeks to deliver the tools and support needed to help local companies develop their export capabilities and access the overseas markets that are right for them.



## Why the Export Strategy is important

Jersey is facing a number of challenges: low productivity, a rising cost of living, a skills deficit, and an ageing population. Without intervention, these challenges will lead us to have low or no economic growth which would mean a reduction in living standards.

If we want Islanders to enjoy the same standard of living in 2040 as they do today, we have to take action. Growing the economy is essential to maintaining living standards. We can do that either by increasing the number of workers or having the same number of workers become more productive.

For Jersey, just increasing the number of workers is not a sustainable option. Therefore, increasing the productivity of our workforce is essential. We can support improvements in productivity through growing Export market opportunities for our products and services.

## What we are going to do

This export strategy, the first in Jersey's history, begins the journey to greater awareness of exports, announces trials to kickstart Government support, and sets out six strategic themes that will drive activity through to 2026.

The economy never stands still and so we will publish an annual report that will set out the strategy's evolution as it is shaped by insights from our experiences as Island businesses reach new markets.



## Strategic Themes

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### Data

Increasing the understanding of current exports by greater use and combination of existing data sets and including a specific export question in future Annual Business Surveys. This is an enabler of all other themes as a robust knowledge base will help drive effective future decision making.

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### Export support

Creating a one-stop shop for export advice and support for new to well-established exporters, with a focus on identifying opportunities and removing barriers to trade. This network of key organisations will trial methods of support to develop going forwards.

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### Raising the profile

Celebrating the quality of Jersey's products by increasing the profile of our export successes both on and off Island by supporting applications to renowned awards programmes and exploring promotional opportunities internationally.

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### Connectivity

Working with leads across Government, States-Owned Entities, and industry to identify and overcome inefficiencies in connectivity. This includes a focus on sea links and seeking to connect Jersey to international payment and development platforms.

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### France and Europe

Recognising the sustainable and efficient potential that will come from our economic links with France and capitalising on our comparative strengths to create goods and services trade opportunities.

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### International engagement

Making the best use of our international engagements across Government to create opportunities for Jersey businesses and to help focus activity where an industry need is identified, whilst helping to raise the Island's international profile.



## Data

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### What

Increasing the quality of export data gathered by Government to improve the evidence base for, and evaluation of, future export policy decisions. This is the single biggest constraint on making effective export decisions and is why this strategy will evolve as the quality of data increases.

### Why

Currently the most detailed information on exports comes from the minority of goods that are exported directly to the continent. Due to the Customs Union with the UK, there is very limited reliable data captured for goods travelling to the UK, and onwards. Services exports are typically harder to track; globally these are estimated through a combination of bank transfer data and surveys, neither of which Jersey currently has for export purposes. Without a clear picture of the current context, targeting areas for support and measuring success is restricted.

### How

- Working with other agencies, we will use the Annual Business Survey to obtain information on imports and exports, and improve the categorisation of goods exports
- Triangulate export destinations and types more accurately using wire-transfer and GST data
- Build in evaluation metrics where possible for export strategy outputs
- Conduct in-depth triennial surveys
- Submit Jersey export data to the primary global trade bodies for inclusion in publications
- Track Jersey's performance against benchmarks and other relevant jurisdictions
- Combine data from the Inward Investment Strategy to create a Jersey dashboard of trade indicators



## Export support

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### What

Create an Export Support Service (ESS) and Oversight Working Group to co-ordinate the efforts of Government, arms-length organisations and business representatives to best support industry to increase its exports.

The ESS will run as a 12-month pilot, after which a review will determine the impact of the support and any future evolution. The ESS will function in a similar manner to a trade promotion organisation. TPOs are typically agencies or state-owned bodies that come under the authority of the government, which is the main source of finance. Jersey's TPO would not be a separate, new body but rather a network of existing organisations brought together to focus thematically on exports.

### Why

Evidence suggests that TPOs have a positive effect on a country's export variety and value.

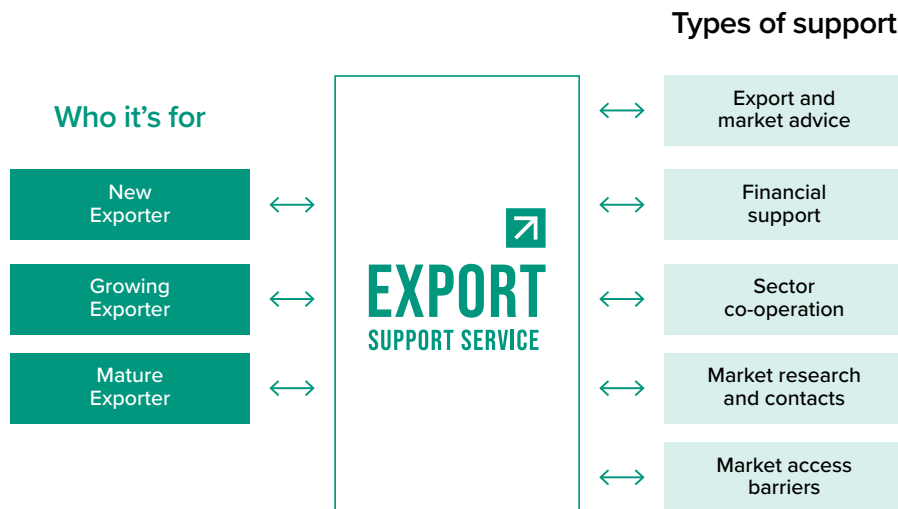
In Jersey, the current support for exporters is sporadic, under-utilised or indirect, and lacks the co-ordinating resource and focus to achieve Jersey's full export potential. Bringing together existing support is a cost and time-effective way of improving delivery. Having a focused network also raises the understanding of export issues across Government as well as the profile of support available to Jersey businesses.

Historic export support has anecdotally been successful for individual businesses but learning from this is reliant on a handful of key individuals. Responses to the Business Survey show Jersey businesses identify a high number of challenges to exporting that an export support service would typically help resolve. Moreover, the third most common theme in the qualitative responses was some form of export support.



## How

Export Support Service Operating Model:



- The ESS will be a one-stop shop for Jersey businesses outside of financial services and tourism to access support with exporting. Enquiries will be managed by Jersey Business. This means the right level of support can be offered quickly for each individual business. Having a centralised system for managing communication will also generate a knowledge base of issues that can be reviewed for future policy action.
- The ESS Oversight Group will co-ordinate, monitor, and progress work identified through the development of the Export Strategy. Government's Economy and External Relations departments, and Jersey Business and Digital Jersey will sit on the group, and stakeholders will assist with specific issues and projects.
- The Export Industry Group will be convened by Government with membership drawn from business leaders and representatives from Jersey exporters to share their insights and experiences.





## Raising the Profile

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### What

There are two audiences for raising the profile of exporting: current and potential exporters in Jersey, and foreign buyers of Jersey products.

### Why

The publication of an Export Strategy is the first step, but there is much more that can be achieved.

Through anecdotal feedback during the consultation phase, there was reported to be a perceived contentment with just serving Jersey's domestic market and a lack of ambition or confidence to export, which was seen as a false cap on potential business expansion. Whilst there are certain businesses and sectors that cannot export, the ambition is to encourage all who can to do so. Jersey has a premium reputation that should be capitalised by co-ordinated efforts to raise the profile of Jersey exports.

### How

- For current and potential exporters in Jersey:
  - Consider establishing Jersey Export Awards
  - Support Island producers in supplying commercial concessions at Jersey ports
- For foreign buyers of Jersey products:
  - Enable businesses to enter relevant awards such as the Great Taste Awards and the King's Awards for Enterprise
  - Explore opportunities and barriers to exporting with Guernsey counterparts
  - Scope opportunities to raise the profile of Jersey goods and services through branded off-Island campaigns



## Connectivity

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### What

Improve the co-ordination and transparency of connectivity services in order to address the barriers that exporters face. While this predominantly relates to tangible goods, service exporters face online connectivity challenges because of the lack of recognition of Jersey in some international payments and technology platforms.

### Why

Jersey consumes far more goods than it produces and an estimated 3,000 containers return from Jersey empty, offering an export opportunity.

Greater connectivity with the UK received the second strongest support of options that would be useful in helping businesses export. The recent Jersey Competition Regulatory Authority (JCRA) Freight Logistics Market Study recommendations represent a good starting place for further action.

Connectivity issues identified by services producers in the Business Survey revolved around the lack of recognition of Jersey for some international payment systems and leading technology platforms. This creates a barrier for entry and customer access meaning that some businesses reported having to set up foreign subsidiaries to overcome these barriers.

### How

Working with other agencies and industry:

- Assess economic impact of any proposed changes to regulations for vehicles requiring P30 permits
- optimise the efficiency of the maritime freight supply chain,
- improve connectivity, particularly into Europe,
- reduce emissions from connectivity,
- optimise export freight needs in ports redevelopment
- address the lack of Jersey recognition in some payment systems and online platforms
- review space and capacity options for exporters at La Collette
- continue to support the establishment of a Border Inspection Post in Granville.



## France and Europe

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### What

Increase our trade links to France because it is our nearest market and serves as a gateway to continental Europe. Success in this will principally rely on greater transport links via air and sea.

### Why

The Department for the Economy's Ministerial Plan includes as a priority 'deepening our cultural and economic links with France'. Increased trade links with France also provide a valuable opportunity to further trade with other European markets through increased connectivity into the European Union's Single Market, and will help address post-Brexit challenges.

France is the world's seventh largest economy, and its \$958bn of imports are predicted to rise by around 3% per year over the next five years. Our current lack of export data, especially for services, restricts analysis of the current level of Jersey trade with France.

Government estimates around 5% of exports of Jersey goods go directly to France, predominantly in marine products as well as recycled materials. This does not include goods that travel indirectly via the UK. Freight connectivity south relies more on containers craned on/off vessels than northbound freight, which is predominantly transported in vehicles. This results in different operational requirements for vessels and harbour equipment to facilitate exports south.

Connectivity is essential for goods exports, and imports coming from France are the other side of the equation. An estimated 6% of Jersey's goods imports by mass come from France, perhaps reflective of the current level of ferry service with France, which is primarily driven by passengers, rather than freight. A successful direct flight to Rennes was trialled over summer 2022, and a €150m St Malo port redevelopment has begun and efforts are being made to install a Border Inspection Post in Granville, all indicating economic potential for Jersey.

### How

- Work with operational leads to ensure recycled waste tenders are promoted to French companies and France is included in market feasibility reviews
- Work with Ports of Jersey to develop and support further European air and sea connectivity
- Explore hospitality and tourism, digital, educational, and vocational links with the departments of Ille-et-Vilaine and Manche, and plan economic Ministerial visits accordingly
- Conduct a feasibility study on increasing the Government's trade support presence in France



# International Engagement

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## What

Aligning the increased export focus and data insights from the Department for the Economy with the experience, networks and relations strategies of External Relations to ensure resources are co-ordinated and targeted to best support Jersey exporters. Jersey's existing and potential international agreements offer an opportunity for Jersey businesses that can be co-ordinated through the Export Support Service.

## Why

The combination of better understanding Jersey's current export strengths and the macro international trade context would enable greater targeting of activity, whilst also benefitting from External Relations' networks and priority jurisdictions.

Jersey's trademark exports enjoy global recognition, and we want to ensure that they can benefit from preferential tariff rates whilst reducing any barriers to market access more generally. The Jersey-UK Customs Union arrangements mean that Jersey must apply the same tariffs as the UK on all imports, and positions Jersey to benefit from all goods-related elements of new trade deals if we so choose.

Jersey's service industry is well-renowned and, as trading relationships deepen, FTAs have the potential to offer not only greater market access but also enhanced protections for businesses over time. Jersey is covered within the UK trade agreements with Japan, the EEA, New Zealand, and Australia. There could also be trade opportunities leveraged through Jersey's international network, other small islands and across the Commonwealth.

## How

- Assess potential for collaboration with UK on export support
- Provide trade data and export business leads to inform activities and target countries
- Review Jersey's diaspora network for export opportunities
- Create a priority list of Jersey products for highlighting at international and diplomatic engagements
- Review economic opportunities via existing channels such as the Commonwealth, Island Games and Twinned Towns
- Explore Jersey's potential applicability to the Paris Agreement on Climate Change, Trade and Sustainability
- Review digital opportunities from the UK-Japan FTA and the WTO E-Commerce Joint Initiative

The strategic themes and actions are set out in greater detail in the full Export Strategy.



**EXPORT**  
SUPPORT SERVICE



Economy