Minister for Sustainable Economic Development



19-21 Broad Street | St Helier Jersey | JE2 3RR

Russell Kew Chair Condor Ferries **By e-mail to** <u>Russell.kew@condorferries.co.uk</u>

11th October 2024

Dear Russell,

I am yet to receive a response to my letter of 23rd September 2024 and so I was concerned to read media comment that risks presenting a somewhat misleading picture to the public.

In a BBC Channel Islands article of 4th October 2024 Christophe Mathieu was quoted as saying:

"We have been in communication with Deputy Kirsten Morel regarding our current Operating Agreement and remain committed to working collaboratively with stakeholders on the continued delivery of services."

The very clear tone in correspondence from Brittany Ferries and Condor Ferries prior to my letter of 23rd September 2024 is to present a material risk of service loss should Brittany Ferries fail to secure the new long-term contract. Some of those letters go on to seek a significant taxpayer contribution to secure the services that Condor is contracted to provide rather than to provide any substantive assurance of Condor's capacity to do so.

For the moment, I would like to believe there has been no deliberate effort to mislead in that statement of 4th October 2024. However, in the absence of any response to my letter of 23rd September I must impress upon you the urgency in you sending to me a clear and unequivocal letter that confirms Condor – together with its lenders and shareholders – is able to guarantee performance of the contractual obligations within the operating agreement without recourse to taxpayer support.

Whilst writing, I also wish to raise the absence of engagement with Jersey Post / Woodside over material matters impacting their business. They have been in touch to share concerns that a letter of 24th July 2024 remains unanswered and they are concerned for disruption to freight deliveries that are now accruing customer penalties. The unexplained absence of Goodwill for the next fortnight or so adds to these problems and the industry rumour mill of that vessel being used as a film set whilst freight sits on the quayside just adds to concern.

My officials are working to finalise their recommendation on the outcome of a comprehensive and objective procurement process. Their recommendation will shortly enter into the political domain

and it is important that I have the highest level of confidence in the counterparties – corporate and personal – presenting new commitments on financial sustainability, investment and contractual performance.

I look forward to hearing from you in the very near future.

Yours sincerely,



Deputy Kirsten Morel Minister for Sustainable Economic Development E <u>k.morel2@gov.je</u>