

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY M.B. ANDREWS OF ST HELIER NORTH
QUESTION SUBMITTED ON MONDAY 25th MARCH 2024
ANSWER TO BE TABLED ON WEDNESDAY 3rd MARCH 2024**

Question

"Will the Chief Minister advise whether any potential additional debt will be incurred by the Island should the Government proceed with either a wind farm project or tunnel to France, and, if so, does he have any concerns in relation to this debt?"

Answer

At the sitting of the 16th April, the States Assembly are due to debate P.82/2023 (Offshore Wind) which asks for support to explore the potential for an offshore windfarm for Jersey. The accompanying Report outlines a number of key policy decisions that will be progressed if the Assembly supports the Proposition. One such matter is the financing of a wind farm. Currently, work is not yet advanced enough to determine the financing model that will provide most value for the Island. Consideration of the development financing and commercial proposition will come if the Assembly directs work to continue. No doubt this will be an important matter for Ministers, Scrutiny and potentially the Assembly to consider in the future. Whilst these decisions are to come, the following extract from the Proposition makes the current working assumption clear:

*'Ministers are proposing that the development of offshore wind should be **privately funded** and designed and delivered by a consortium with substantial experience of similar development elsewhere'.*

Thus, I can be clear that whilst no decisions have been made, I do not expect that the Island would raise substantial debt to fund a windfarm.

No decision has been taken with regard to any tunnel to France, as we need to focus on other more pressing priorities for Islanders such as building a hospital and reducing cost of living pressures.

Background

Tunnel to France: The Future Economy Programme Strategy (October 2023) committed to publishing a Cost Benefit Analysis during 2024; this document is being finalised by the Economy Department.

The Minister for Sustainable Economic Development has previously stated publicly that if this were to be developed further, it could only proceed on the basis that it was a commercially viable operation for the private sector. This would follow the 'Design, Build, Manage and Operate' model which the French have used to build their motorways. The private sector pays for the design and build, then recoups its investment through tolls over 30+ years. In this respect, there would be no Government debt.