



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

# Export Strategy 2023-2026

R.119/2023



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## Foreword

From ships to ormers 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**

# 1. Vision and Summary

Jersey's economic success is built upon exports. Due to the size of our Island population, for businesses to continue to grow and thrive they must access overseas markets and customers beyond our shores. Jersey's exporting strength has long come from our ability to find market opportunities, having the skilled individuals to deliver premium products, and an agile government that utilises our self-determination.

Our rich exporting history proves that finding a niche and delivering high-quality products has consistently been Jersey's route to economic growth. Many of these products are internationally recognisable such as knitted Jerseys, the Jersey Royal and our Jersey cows.

But we cannot take success for granted as history also proves that those opportunities can come to an end. Today, Jersey's exporting success principally comes from Financial Services and Tourism (which is counted as an export due to a foreign market coming to Jersey to purchase products).

Trade support is already available for Financial Services, whilst the Tourism sector has a uniqueness of challenges and opportunities that dictate specific attention.

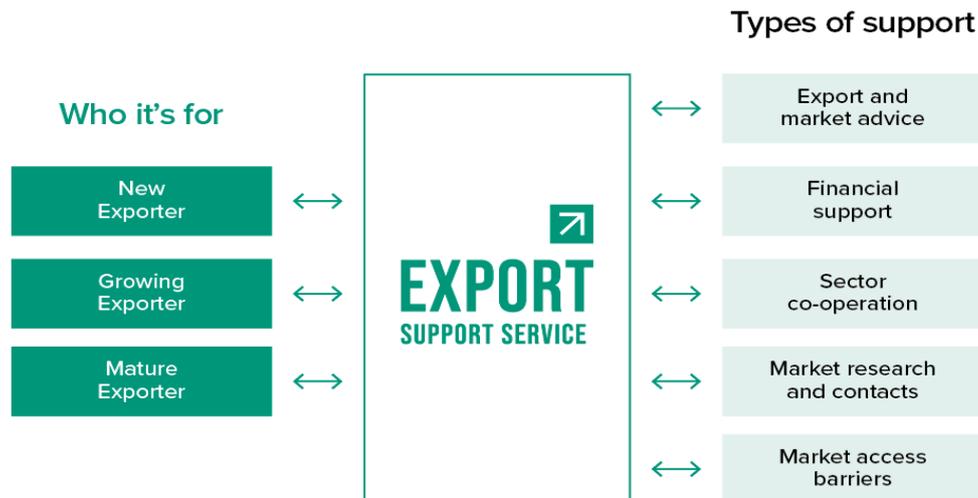
This strategy therefore focuses on diversifying exports (products and services) from all other sectors, with the vision:

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

This Strategy is not about picking winners within our economy or choosing specific markets to engage with. 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.

To this end we'll be establishing a new Export Support Service (ESS). This will enable tailored and free advice to businesses looking to export their products or services and will help companies to navigate the practicalities, logistics and challenges involved in exporting. The ESS will link in with a wider stakeholder group, including Government departments and Arm's Length Organisations (ALOs), to lower barriers to export and find new opportunities for promoting Jersey products and services.

An Executive Summary version of this Export Strategy document is also available.<sup>1</sup>



The Export Strategy also ties in with wider Government priorities including the Future Economy Programme, Ease of Doing business work and Global Markets Strategy.

The common theme across these being the ambition to grow our economy, by making it easier to access new markets and find new opportunities.

With a significant demographic challenge, the current cost of living crisis, the ongoing impact of the war in Ukraine and the Covid pandemic, increasing the variety and value of exports will play a vital role in supporting the resilience and diversity of Jersey's economy. The UK's exit from the European Union is a further reason to take a fresh look at exports, ensuring Jersey takes full advantage of new opportunities and mitigates any barriers.

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 6 strategic themes to drive activity through to 2026. In each subsequent year of the strategy, the anticipated increase in export insight will shape its evolutions and will be set out in annual reports.

### Why the Export Strategy is important

Growing a sustainable economy is essential to maintaining and improving living standards. We can do that by either increasing the number of workers as we have done in the past or we can focus on increasing productivity which won't place the same pressure on population.

For Jersey, 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:

Activity	Output	Delivery
<b>Data</b>		
<b>Increase data capture</b>	1.1 Request Statistics Jersey include questions on imports and exports in the Annual Business Survey	<b>2023-4</b>
	1.2 Build in evaluation metrics where possible for export strategy outputs using robust methodology <sup>26</sup>	<b>Ongoing</b>
	1.3 Include more detailed wire-transfer and GST data with existing sources to triangulate export destinations and types more accurately	<b>2024</b>
	1.4 Work with Jersey Customs and Immigration Service leads to improve the categorisation of goods exports	<b>2024</b>
	1.5 Every 3 years carry out an export deep-dive survey to compare against the Business Survey 2022 and previous Jersey Business Export Surveys	<b>2025</b>
<b>International comparisons</b>	<i>(Using the enhanced export data from 1.1-4 expected in 2024)</i>	
	1.6 Submit Jersey export data to the primary global trade bodies for inclusion in publications, where possible	<b>2024</b>
	1.7 Begin tracking Jersey's performance against benchmarks and find relevant comparisons to other jurisdictions	<b>2024</b>
	1.8 Combine data from the Inward Investment Strategy to create a Jersey trade dashboard of trade indicators	<b>2024</b>
<b>Export Support</b>		
<b>Establish the ESS</b>	2.1 Establish the ESS Oversight Group processes and prioritise the export issues backlog generated from the consultation	<b>Q3 2023</b>
	2.2 Categorise all funding opportunities and review the terms of the Productivity Support Scheme to include exports more explicitly	<b>2023</b>
	2.3 Launch the ESS with Jersey Business with support from the wider network	<b>Q3 2023</b>
	2.4 Announce one goods and one services sector to trial proactive ESS support	<b>Q3 2023</b>
	2.5 Establish both the Stakeholder Working Group and the Export Industry Group	<b>Q3 2023</b>
<b>Develop the ESS</b>	2.6 Create a Jersey export opportunities list by reviewing sectors of strength and countries with high import potential	<b>2023</b>
	2.7 Review the ESS and sectors trials for future development	<b>Q2 2024</b>
	2.8 Review opportunities to collaborate with the UK Government trade promotion activity and JFL global network	<b>2023</b>
	2.9 Publish a Jersey Export Report after each year that provides updates on the KPIs, priorities, and announces developments	<b>Annually from 2024</b>
<b>Combine and expand</b>	2.10 Explore any potential benefits that may arise from the establishment of a Jersey Trade Promotion Organisation that combines Export Support and inward investment activity	<b>2024</b>
<b>Raising the Profile</b>		
<b>On Island</b>	3.1 Review the feasibility and sponsorship opportunities for a Jersey Export Awards	<b>2023</b>
	3.2 Support and enable Island producers to supply into commercial concessions at the Elizabeth Harbour and Jersey Airport. Ensure all new opportunities are communicated to the wider business community	<b>Ongoing</b>

<b>Off Island</b>	3.3 Trial a grant scheme that pays for businesses to enter the Great Taste Awards	<b>2024</b>
	3.4 Trial identifying qualifying exporters and support their application to the King's Awards for Enterprise	<b>2023</b>
	3.5 Meet with Guernsey counterparts to discuss exporting opportunities and barriers	<b>Ongoing</b>
	3.6 Scope opportunities to raise the profile of Jersey goods and services exports, as well as Jersey as a location for research and development, through branded campaigns off Island	<b>2023</b>
<b>Connectivity</b>		
<b>Goods</b>	4.1 Assess the economic impact of any outcomes from the review of the P30 traffic corridor by I&E which may consider options to increase capacity (aligned with JCRA recommendation 2)	<b>2023/4</b>
	4.2 Work with relevant officials, the Ports Policy Group and industry representatives to support: <ul style="list-style-type: none"> <li>- The optimised efficiency of the maritime freight supply chain</li> <li>- The continued growth in connectivity, in particular into Europe</li> <li>- The reduction in emissions from connectivity being delivered in accordance with the Decarbonisation Roadmap</li> <li>- Any review of ferry services which will consider future export freight needs</li> <li>- The continued optimisation of the Ports Masterplan for the future export freight needs of Jersey and that the redevelopment of Elizabeth Harbour is prioritised by Government to enable this</li> </ul>	<b>2023-6</b>
	4.3 A review of space and capacity options at La Collette in order to maximise the potential of local exporters	<b>2024</b>
	4.4 Continue to support the establishment of a Border Inspection Post in Granville.	<b>2024</b>
<b>Services</b>	4.5 Continue to support work of officers across Government and ALOs to identify solutions to address the lack of Jersey recognition from certain payment systems (e.g. Shopify)	<b>2023</b>
	4.6 Continue to support work of officers across Government and ALOs to identify solutions to address the lack of Jersey recognition from certain technology platforms (e.g. Google)	<b>2023</b>
<b>France and Europe</b>		
<b>French links</b>	5.1 Work with operational leads to ensure recycled waste tenders are promoted to French companies and France is included in market feasibility reviews	<b>Ongoing</b>
	5.2 Work with Ports of Jersey to develop and support further European air connectivity	<b>Ongoing</b>
	5.3 Explore hospitality and tourism, digital, educational, and vocational links with the departments of Ille-et-Vilaine and La Manche, and plan economic Ministerial visits accordingly	<b>2023-6</b>
	5.4 Conduct a feasibility study on increasing the Government's trade support presence in France	<b>2024</b>
	5.5 Build relationships with trade groups such as the Trans Manche Development Group.	<b>Ongoing</b>

<b>International Engagement</b>		
<b>Export Support Service</b>	6.1 Assess the UK's local and national level of export support for potential collaboration	<b>2024</b>
	6.2 Provide trade data and export business leads to inform activities and target countries	<b>Ongoing</b>
	6.3 Review Jersey's diaspora network for export opportunities	<b>2024</b>
<b>International Links</b>	6.4 Create a priority list of Jersey products for highlighting at international and diplomatic engagements	<b>2023</b>
	6.5 Review economic opportunities via existing channels such as the Commonwealth, Island Games and Twinned Towns	<b>2023</b>
	6.6 Explore Jersey's potential applicability to the Paris Agreement on Climate Change, Trade and Sustainability <sup>27</sup>	<b>2023</b>
	6.7 Review Digital opportunities from the UK-Japan FTA and the WTO E-Commerce Joint Initiative	<b>2023</b>

## Introduction

Exporting has wider benefits than simply increasing the economy beyond its domestic size. Exporters typically conduct more research and development, innovate more and have higher productivity. This is because they can often achieve greater economies of scale and contribute to, and benefit from, innovations globally. This allows exporters to pay higher wages and offer sustainable employment.<sup>2</sup>

Whilst Financial Services (FS) is the major contributor to Jersey's exports, experimental analysis estimates that in 2021, non-FS and tourism-related exports contributed around £500m to Gross Value Added (GVA), roughly 10% of the total economy.<sup>3</sup> This includes a combination of sectors from professional business services, creative and digital industries, to agriculture and marine sectors and beyond. However, there is currently a lack of data to accurately measure Jersey's exports by value, sector and destination which restricts insight and effective decision making.

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 6 strategic themes to drive activity through to 2026. In each subsequent year of the strategy, the anticipated increase in export insight will help shape its evolutions that will be set out in annual reports.

This strategy covers all exported products, which are defined as goods and services produced in Jersey that are purchased by residents of another country, but it deliberately does not focus on FS or Tourism sectors beyond the Current Export Context section.

The importance of FS, which for Jersey includes accounting and legal services, means that export infrastructure is already in place for that sector and should be used as an example to learn from. Tourism is counted as an export due to a foreign market coming to Jersey to purchase products. However, because of this uniqueness, it has different challenges and opportunities which dictate specific attention. All other exported products, both goods and services, are in scope.

# 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.

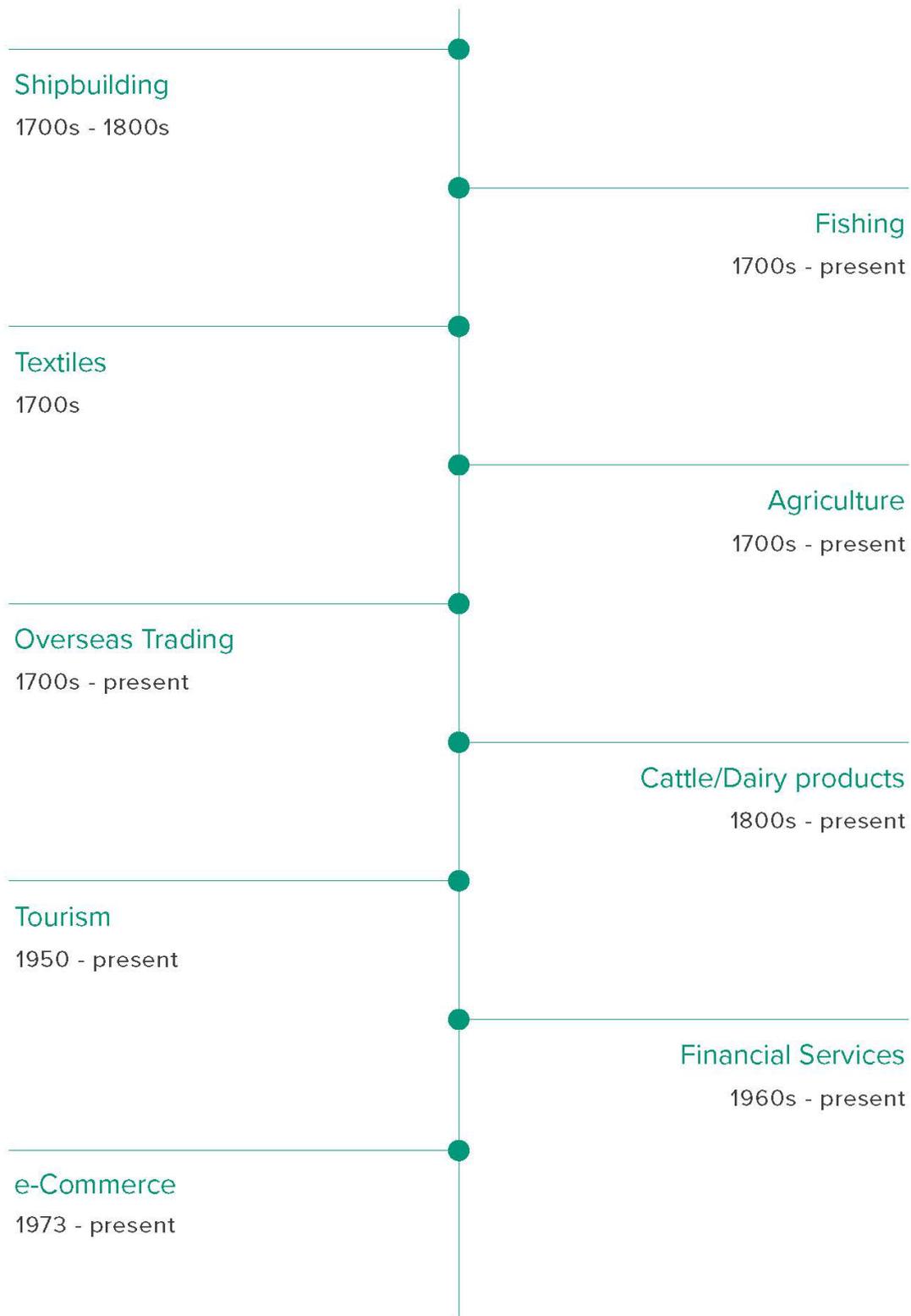
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## International engagement

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.

# History of Jersey Exports Timeline



## 2. Current Export Context

There is a lack of robust data on Jersey's current export levels, therefore without enhanced sources of data, overall GVA statistics offer a starting place to estimate potential export value by sector.

### a) Services

In 2021, Financial Services contributed £1,924m to total GVA, the majority of which will have come from exports.

Other Business Activities, which are predominantly private sector service industries, contributed £627m to GVA in 2021. Experimental internal analysis estimates that non-FS and tourism-related exports contributed around £500m.<sup>3</sup> As a broad category the export contribution to GVA will vary as this includes digital firms that are naturally export-oriented as well as locally focused businesses such as private health services.

The value of Tourism cuts across multiple sectors such as retail, hospitality and transport. The total direct and indirect GVA was calculated at £425m in 2019.<sup>6</sup>

### b) Goods

Goods exports represent a smaller proportion of the total export value but play a wider role in the reputation and environment of the Island. For example, roughly 25% of land in Jersey is dedicated to growing Jersey Royals, our largest crop export. 99% of this crop is exported at a total value of £25-30m per year. Dairy and marine products are other significant Jersey exports sold globally from France to Southeast Asia.

In recent history, businesses located in Jersey benefitted from Low Value Consignment Relief (LVCR) through which the fulfilment of goods had a competitive advantage. Whilst LVCR came to an end with the UK in 2012 and the EU in 2021, one of Jersey's largest exporters by variety of products has evolved from this period into a successful e-commerce business. Although not a typical economic opportunity, waste for recycling is also a notable export from the Island making up at most a third of our goods exports by mass.

As goods exports largely rely on connectivity by sea, imports are the important other side of this equation and Jersey is a net importer of goods. Based on data from the Ports of Jersey, in 2021, Jersey imported over 350,000 tonnes of goods and exported just under 90,000 tonnes. The below graph clearly shows the impact of the Jersey Royal season on exports between May and July. Weight does not correlate to value, but this graph clearly represents the disparity in production on Island and a possible opportunity in utilising spare freight capacity. As with services, it is not currently possible to accurately track the value of goods being exported from Jersey.



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### c) Destinations

Jersey does not have a central bank but the movement of money to and from the Island can be understood from wire transfer data, which is collected from certain institutions registered with the Jersey Financial Services Commission. This data highlights the strength of the connection with the UK, representing 48% of the incoming funds and 37% of the outgoing. The second highest was the USA, accounting for another 11% of incoming funds and 15% of outgoing payments. Given the nature of the business transacted, the jurisdictions with significant fund flows from Jersey are as expected and include three European neighbours (Luxembourg, France, and Germany).<sup>8</sup>

This correlates with the destination responses in the Business Survey that strongly placed the UK as first, followed by the EU, of which France was the largest single country, and then the USA. Equally, the data available from Jersey Customs and Immigrations Services confirms the dominance of the UK with roughly 90% of goods being exported, at least initially, to the UK. Of the remaining goods that go south directly, France is the leading destination in Europe, which accounts for 9% collectively, and the remaining 1% goes onto the rest of the world.

### d) Potential

Noting the experimental estimate of the current £500m value in non-FS and tourism exports, categorical statements on potential are not possible. However, there are two areas of potential growth, increasing the value of existing exports and increasing the variety of new exporters and products. Annex B - Case Studies identifies a range of current and potential sectors of importance to the variety and value of Jersey's export.

As an example of untapped potential, in 2021, the UK Government estimated up to 375,000 Small and Medium Enterprises (SMEs) have exportable goods but are not currently exporting, which could unlock an annual £290 billion for the UK economy.<sup>9</sup> The Business Survey indicates the equivalent opportunity in Jersey with 58% of respondents not currently exporting saying they see opportunities to start in the next three years. As 94% of businesses in Jersey have fewer than 20 staff, this micro and SMEs export potential could unlock new growth for Jersey's economy.

This growth should be underpinned by effective Government support to navigate barriers to exporting, particularly in the context of post-Brexit rules and the opportunity of new Free Trade Agreements. The 6 Strategic Themes below set out how this will be achieved.

### 3. Strategic Themes

#### I. Data

##### 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

Activity	Output	Delivery
<b>Increase data capture</b>	1.1 Request Statistics Jersey include questions on imports and exports in the Annual Business Survey	<b>2023-4</b>
	1.2 Build in evaluation metrics where possible for export strategy outputs using robust methodology <sup>10</sup>	<b>Ongoing</b>
	1.3 Include more detailed wire-transfer and GST data with existing sources to triangulate export destinations and types more accurately	<b>2024</b>
	1.4 Work with Jersey Customs and Immigration Service leads to improve the categorisation of goods exports	<b>2024</b>
	1.5 Every 3 years carry out an export deep-dive survey to compare against the Business Survey 2022 and previous Jersey Business Export Surveys	<b>2025</b>
<b>International comparisons</b>	<i>(Using the enhanced export data from 1.1-4 expected in 2024)</i>	
	1.6 Submit Jersey export data to the primary global trade bodies for inclusion in publications, where possible	<b>2024</b>
	1.7 Begin tracking Jersey's performance against benchmarks and find relevant comparisons to other jurisdictions	<b>2024</b>
	1.8 Combine data from the Inward Investment Strategy to create a Jersey trade dashboard of trade indicators	<b>2024</b>

## II. Export Support

### What

Create an Export Support Service (ESS) and Oversight Working Group to co-ordinate the efforts of Government, Arms-Length Organisations (ALO) and business representatives to best support industry to increase its exports. The ESS will run as a 12-month pilot from April 2023 and be reviewed after a year to understand the impact of the support and decide on any future evolution.

This will function in a similar manner to a Trade Promotion Organisation (TPO), although not a separate, new body but a network of existing organisations brought together to focus thematically on exports. TPOs are typically agencies or state-owned bodies that come under the authority of a specific government department, which is the main source of finance.<sup>11</sup>

### Why

Evidence suggests that TPOs have a positive effect on a country's export variety and value.<sup>12</sup> For example, businesses accessing Canadian trade services can expect to export 17.9% more on average than comparable exporters who do not.<sup>13</sup> Whilst other studies vary on the specific figure, the consensus is generally positive for the impact of government-led export support.

The underpinning logic is that market failures exist in private sector export support activity and government is best placed to address them. These market failures are:

- Information failures creating a lack of business insight into export opportunities
- Co-ordination failures stopping business collaboration and collective benefits
- Network failures that can be addressed by leveraging Government's unique position
- Positive externalities from 'spill over' benefits of export promotion and exporting<sup>14</sup>

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.

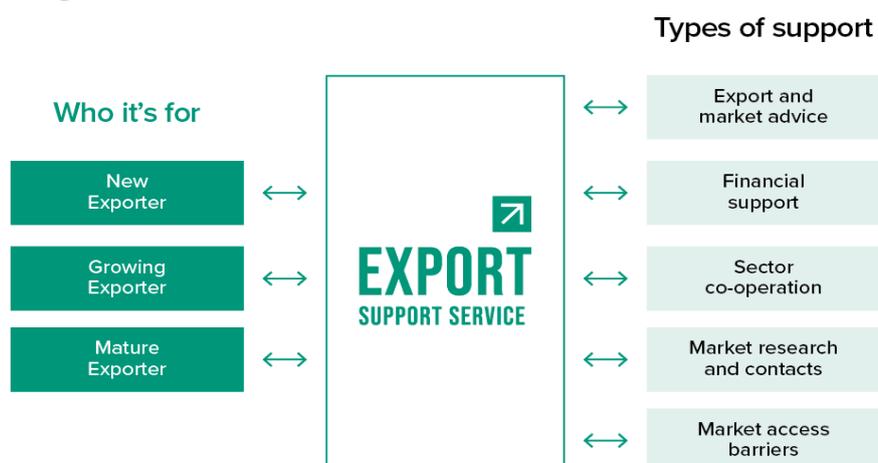
Bringing together existing support is a cost and time effective way of improving delivery. Having a focused network also raises the understanding of export issues across Government as well as the profile of support available to Jersey businesses.

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 asking for some form of export support.

## How

### ESS Operating Model



The ESS will be a one-stop shop for Jersey businesses outside of FS and Tourism to access support with exporting. Whether that be as a completely new exporter, a fledgling exporter with potential to expand, or a mature exporter with years of experience.

Enquiries will be managed by Jersey Business and triaged internally to the most appropriate member of the ESS. 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 will offer support with any exporting issue, but it is likely they will fall into one or more of these 5 categories:

- 1. Export and market advice** – Typically for new exports, this advice will proactively use the resources on the Jersey Business website as well as the UK Government's [Open to Export](#) and [great.gov.uk](#) to identify routes to market opportunities.
- 2. Financial Support** - Businesses seeking financial support will be signposted to appropriate opportunities both on-Island or off-Island.
- 3. Sector Co-operation** – A key theme for the ESS is that supporting a sector will be prioritised over supporting an individual business. Alongside being open to approaches from sectors, two sector specific trials are planned to test the process of proactive support and foster industry collaboration.
- 4. Market research and contacts** – This covers both utilising existing resources and contacts and helping commission or identify new ones. This will also prioritise a sectoral approach.
- 5. Market access barriers** – Principally working with External Relations and Environment colleagues on tariffs and non-tariff barriers, understanding their impacts, comparing this to the treatment of foreign businesses and reviewing options for addressing them.

## ESS Stakeholder Map



The ESS will be a collective of colleagues from the Economy and External Relations departments in Government and from Jersey Business and Digital Jersey. These four key stakeholders will also form an Oversight Group, led principally by the Economy Department, to co-ordinate, monitor, and progress work identified through the development of the Export Strategy.

The larger group outlined above is the Stakeholder Working Group, made up of recognised stakeholders that will be engaged by the Oversight Group to assist with specific issues and projects.

The Export Industry Group is separate from the Stakeholder and Oversight Groups in that it is convened by Government, but membership will be drawn from business leaders and representatives from Jersey exporters to share their insights and experiences.

### Support Principles

Active	>	Passive
Targeted	>	All businesses
SMEs	>	Large
Multi-year	>	One-off
Tailored to business	>	Pre-defined
Sector benefits	>	Individual
Increase value	>	Increase quantity

Generated principally from the comparative analysis of other jurisdictions' TPOs undertaken by Frontier Economics for the UK Government, as well as a specific review of the UK TPO. The above principles are chosen to gain the best value for money from

the way in which the ESS prioritises activity.<sup>15</sup> There is a focus on high-knowledge services exports and bringing more value-added processes onto the Island to increase the value of goods exported from current and potential sectors.<sup>16</sup>

Activity	Output	Delivery
<b>Establish the ESS</b>	2.1 Establish the ESS Oversight Group processes and prioritise the export issues backlog generated from the consultation	<b>Q3 2023</b>
	2.2 Categorise all funding opportunities and review the terms of the Productivity Support Scheme to include exports more explicitly	<b>2023</b>
	2.3 Launch the ESS with Jersey Business with support from the wider network	<b>Q3 2023</b>
	2.4 Announce one goods and one services sector to trial proactive ESS support	<b>Q3 2023</b>
	2.5 Establish both the Stakeholder Working Group and Export Industry Group	<b>Q3 2023</b>
<b>Develop the ESS</b>	2.6 Create a Jersey export opportunities list by reviewing sectors of strength and countries with high import potential	<b>2023</b>
	2.7 Review the ESS and sectors trials for future development	<b>Q2 2024</b>
	2.8 Review opportunities to collaborate with the UK Government trade promotion activity and JFL global network	<b>2023</b>
	2.9 Publish a Jersey Export Report after each year that provides updates on the KPIs, priorities, and announces developments	<b>Annually from '24</b>
<b>Combine and expand</b>	2.10 Explore any potential benefits that may arise from the establishment of a Jersey Trade Promotion Organisation that combines Export support and inward investment activity	<b>2024</b>

### III. Raising the Profile

#### What

There are two different audiences for raising the profile of exporting: current and potential exporters in Jersey, and foreign buyers of Jersey products. Increasing awareness of the export opportunity, support and successes in Jersey will encourage more businesses to export. Increasing the profile of Jersey exports abroad will catalyse that by increasing demand for our products.

#### Why

The untapped potential of current and future exporters is outlined above. This theme specifically looks to tackle the profile of Jersey exports. 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's exports.

## How

Activity	Output	Delivery
On Island	3.1 Review the feasibility and sponsorship opportunities for a Jersey Export Awards	2023
	3.2 Support and enable Island producers to supply into commercial concessions at the Elizabeth Harbour and Jersey Airport. Ensure all new opportunities are communicated to the wider business community	Ongoing
Off Island	3.3 Trial a grant scheme that pays for businesses to enter the Great Taste Awards	2024
	3.4 Trial identifying qualifying exporters and support their application to the King's Awards for Enterprise	2023
	3.5 Meet with Guernsey counterparts to discuss exporting opportunities and barriers	Ongoing
	3.6 Scope opportunities to raise the profile of Jersey goods and services exports through branded off-Island campaigns	2023

## IV. Connectivity

### What

Address logistics barriers that face exporters through better co-ordination and transparency of connectivity services. This theme predominantly relates to goods exporters as logistics issues can be more tangibly addressed. However, with world-leading internet connectivity as an excellent foundation, there are still connectivity challenges for services exporters such as the lack of recognition of Jersey on some international payments and technology platforms.

### Why

For goods, Jersey consumes far more than it produces; around 350,000 tonnes of goods are imported to the Island each year and less than 90,000 are exported. Although mass and value are not the same, this does mean there are an estimated 3,000 containers returning empty from Jersey that offer an export opportunity.

Results from the Business Survey show logistics issues vary depending on the sector and specific products, but issues typically focussed on the cost, time, and location of logistics connections.

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.<sup>17</sup>

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 customers access meaning that some businesses reported having to set up foreign subsidiaries to overcome these barriers.

## How

Activity	Output	Delivery
<b>Goods</b>	4.1 Assess the economic impact of any outcomes from the review of the P30 traffic corridor by I&E which may consider options to increase capacity (aligned with JCRA recommendation 2)	<b>2023/4</b>
	4.2 Work with relevant officials, the Ports Policy Group and industry representatives to support: <ul style="list-style-type: none"> <li>- The optimised efficiency of the maritime freight supply chain</li> <li>- The continued growth in connectivity, in particular into Europe</li> <li>- The reduction in emissions from connectivity being delivered in accordance with the Decarbonisation Roadmap</li> <li>- Any review of ferry services which will consider future export freight needs</li> <li>- All future ferry service level agreements to include annual objectives relating to freight export sectors</li> <li>- The continued optimisation of the Ports Masterplan for the future export freight needs of Jersey and that the redevelopment of Elizabeth Harbour is prioritised by Government to enable this</li> </ul>	<b>2023-6</b>
	4.3 A review of space and capacity options at La Collette in order to maximise the potential of local exporters	<b>2024</b>
	4.4 Continue to support the establishment of a Border Inspection Post in Granville.	<b>2024</b>
	<b>Services</b>	4.5 Continue to support work of officers across Government and ALOs to identify solutions to address the lack of Jersey recognition from certain payment systems (e.g. Shopify)
	4.6 Continue to support work of officers across Government and ALOs to identify solutions to address the lack of Jersey recognition from certain technology platforms (e.g. Google)	<b>2023</b>

## V. France and Europe

### 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. Historic peaks in trade and travel show there are clear opportunities to grow the economic links going forward.

### Why

Working under the UK-EU Trade & Cooperation Agreement, the Government of Jersey has an increased focus on France with a planned cross-Government French engagement strategy. The Department for the Economy Ministerial Plan includes the priority of '*deepening our cultural and economic links with France*'. A strengthened trading relationship with France could also aid in navigating some of the challenges seen post-Brexit, such as fisheries complications. Increased trade links with France also provides a valuable opportunity to further trade with other European markets through increased connectivity into the European Union's Single Market.

France is the seventh largest economy in the world and in 2021, imports to France were of a total value of \$958bn.<sup>18</sup> This is predicted to rise by around 3% per year over

the next five years.<sup>19</sup> According to the UK Department for International Trade Factsheet from September 2022, the top three services exports from the UK to France were: Other Business Services, Financial and Telecommunications, computer and information services.<sup>20</sup> These are sectors of strength for Jersey and indicate the potential for increasing our exports to France.

Our current lack of export data, especially for services, restricts analysis of the current level of Jersey trade with France. Government estimates indicate that around 5% of Jersey goods exports go directly to France and these are predominantly marine products, especially oysters, as well as recycled materials. This does not include goods that travel indirectly through the UK, but the lack of direct exports is represented most starkly by the estimate that Jersey currently exports more by mass of empty containers to the UK than goods directly to France (although this is a natural by-product of Jersey having a predominantly UK-focused supply chain). Freight connectivity south notably 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.

With goods exports, connectivity is essential and imports coming from France, and their corresponding border regulations, 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. Passenger numbers, rather than freight, have historically driven the southern route from Jersey. However, sea passengers to and from France for January to September 2022 were only at 58% of the same period in 2019, indicating a slower and / or lower recovery.

However, there are clear signs for optimism that reignite the fundamental rationality of trading more with a large economy just 14 miles away. Jersey is renewing engagement with French counterparts, 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

Activity	Output	Delivery
<b>French links</b>	5.1 Work with operational leads to ensure recycled waste tenders are promoted to French companies and France is included in market feasibility reviews	<b>Ongoing</b>
	5.2 Work with Ports of Jersey to develop and support further European air connectivity	<b>Ongoing</b>
	5.3 Explore hospitality and tourism, digital, educational and vocational links with the departments of Ille-et-Vilaine and La Manche, and plan economic Ministerial visits accordingly	<b>2023-6</b>
	5.4 Conduct a feasibility study on increasing the Government's trade support presence in France	<b>2024</b>
	5.5 Build relationships with trade groups such as the Trans Manche Development Group	<b>Ongoing</b>

## VI. International Engagement

### 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

Emerging markets are forecast to dominate the world's top ten economies in 2050. 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.

According to the WTO, barriers to services trade on average remain around double those to goods trade.<sup>21</sup> Jersey's service industry is well-renowned and as trading relationships deepen, FTAs have the potential to offer not only greater market access but enhanced protections for businesses over time. So far Jersey is covered within the UK-Japan CEPA, UK-EEA FTA, UK-New Zealand and the UK-Australia FTA, which all include Jersey for goods and allow for future extension of other chapters, particularly services. There could also be trade opportunities leveraged through Jersey's international network, other small islands and across the Commonwealth.

### How

Activity	Output (with External Relations)	Delivery
<b>Export Support Service</b>	6.1 Assess the UK's local and national level of export support for potential collaboration	<b>2024</b>
	6.2 Provide trade data and export business leads to inform activities and target countries	<b>Ongoing</b>
	6.3 Review Jersey's diaspora network for export opportunities	<b>2024</b>
<b>International Links</b>	6.4 Create a priority list of Jersey products for highlighting at international and diplomatic engagements	<b>2023</b>
	6.5 Review economic opportunities via existing channels such as the Commonwealth, Island Games and Twinned Towns	<b>2023</b>
	6.6 Explore Jersey's potential applicability to the Paris Agreement on Climate Change, Trade and Sustainability <sup>22</sup>	<b>2023</b>
	6.7 Review Digital opportunities from the UK-Japan FTA and the WTO E-Commerce Joint Initiative	<b>2023</b>

## 4. Key Performance Indicators

### Export Strategy<sup>23</sup>

KPI	Current Level	Desired Direction
Exporters (variety)	[data not yet available]	
Exports (value)	£500m <sup>24</sup> (2017)	
Services Exports	[data not yet available]	
Goods Exports	[data not yet available]	
Great Taste Stars <sup>25</sup>	8	

Depending on the outputs under Strategic Theme I. Data, additional KPIs include the total number of exporters and total value of exports; number and value by sector; and destination of exports. The earliest this could be published is 2024.

### Export Support Service

KPI	Current Level	Desired Direction
Number of businesses supported	[data not yet available]	
Annual value of exports from supported businesses	[data not yet available]	
Difference in export value compared to pre-support	[data not yet available]	
Issues log [identified] [in progress] [closed]	[data not yet available]	
Combined ESS website traffic	[data not yet available]	

## Annex A – Strategic Themes: Consolidated Key Outcomes

Activity	Output	Delivery
<b>Data</b>		
<b>Increase data capture</b>	1.1 Request Statistics Jersey include questions on imports and exports in the Annual Business Survey	<b>2023-4</b>
	1.2 Build in evaluation metrics where possible for export strategy outputs using robust methodology <sup>26</sup>	<b>Ongoing</b>
	1.3 Include more detailed wire-transfer and GST data with existing sources to triangulate export destinations and types more accurately	<b>2024</b>
	1.4 Work with Jersey Customs and Immigration Service leads to improve the categorisation of goods exports	<b>2024</b>
	1.5 Every 3 years carry out an export deep-dive survey to compare against the Business Survey 2022 and previous Jersey Business Export Surveys	<b>2025</b>
<b>International comparisons</b>	<i>(Using the enhanced export data from 1.1-4 expected in 2024)</i>	
	1.6 Submit Jersey export data to the primary global trade bodies for inclusion in publications, where possible	<b>2024</b>
	1.7 Begin tracking Jersey's performance against benchmarks and find relevant comparisons to other jurisdictions	<b>2024</b>
	1.8 Combine data from the Inward Investment Strategy to create a Jersey trade dashboard of trade indicators	<b>2024</b>
<b>Export Support</b>		
<b>Establish the ESS</b>	2.1 Establish the ESS Oversight Group processes and prioritise the export issues backlog generated from the consultation	<b>Q3 2023</b>
	2.2 Categorise all funding opportunities and review the terms of the Productivity Support Scheme to include exports more explicitly	<b>2023</b>
	2.3 Launch the ESS with Jersey Business with support from the wider network	<b>Q3 2023</b>
	2.4 Announce one goods and one services sector to trial proactive ESS support	<b>Q3 2023</b>
	2.5 Establish both the Stakeholder Working Group and the Export Industry Group	<b>Q3 2023</b>
<b>Develop the ESS</b>	2.6 Create a Jersey export opportunities list by reviewing sectors of strength and countries with high import potential	<b>2023</b>
	2.7 Review the ESS and sectors trials for future development	<b>Q2 2024</b>
	2.8 Review opportunities to collaborate with the UK Government trade promotion activity and JFL global network	<b>2023</b>
	2.9 Publish a Jersey Export Report after each year that updates on the KPIs, priorities, and announces developments	<b>Annually from '24</b>
<b>Combine and expand</b>	2.10 Explore any potential benefits that may arise from the establishment of a Jersey Trade Promotion Organisation that combines Export Support and inward investment activity	<b>2024</b>

<b>Raising the Profile</b>		
<b>On Island</b>	3.1 Review the feasibility and sponsorship opportunities for a Jersey Export Awards	<b>2023</b>
	3.2 Support and enable Island producers to supply into commercial concessions at the Elizabeth Harbour and Jersey Airport. Ensure all new opportunities are communicated to the wider business community.	<b>Ongoing</b>
<b>Off Island</b>	3.3 Trial a grant scheme that pays for businesses to enter the Great Taste Awards	<b>2024</b>
	3.4 Trial identifying qualifying exporters and support their application to the King's Awards for Enterprise	<b>2023</b>
	3.5 Meet with Guernsey counterparts to discuss exporting opportunities and barriers	<b>Ongoing</b>
	3.6 Scope opportunities to raise the profile of Jersey goods and services exports as well as Jersey as a location for research and development, through branded campaigns off Island through branded campaigns off Island	<b>2023</b>
<b>Connectivity</b>		
<b>Goods</b>	4.1 Assess the economic impact of any outcomes from the review of the P30 traffic corridor by I&E which may consider options to increase capacity (aligned with JCRA recommendation 2)	<b>2023/4</b>
	4.2 Work with relevant officials, the Ports Policy Group and industry representatives to support: <ul style="list-style-type: none"> <li>- The optimised efficiency of the maritime freight supply chain</li> <li>- The continued growth in connectivity, in particular into Europe</li> <li>- The reduction in emissions from connectivity being delivered in accordance with the Decarbonisation Roadmap</li> <li>- Any review of ferry services which will consider future export freight needs</li> <li>- All future ferry service level agreements to include annual objectives relating to freight export sectors</li> <li>- The continued optimisation of the Ports Masterplan for the future export freight needs of Jersey and that the redevelopment of Elizabeth Harbour is prioritised by Government to enable this</li> </ul>	<b>2023-6</b>
	4.3 A review of space and capacity options at La Collette in order to maximise the potential of local exporters	<b>2024</b>
	4.4 Continue to support the establishment of a Border Inspection Post in Granville.	<b>2024</b>
<b>Services</b>	4.5 Continue to support work of officers across Government and ALOs to identify solutions to address the lack of Jersey recognition from certain payment systems (e.g. Shopify)	<b>2023</b>
	4.6 Continue to support work of officers across Government and ALOs to identify solutions to address the lack of Jersey recognition from certain technology platforms (e.g. Google)	<b>2023</b>

<b>France and Europe</b>		
<b>French links</b>	5.1 Work with operational leads to ensure recycled waste tenders are promoted to French companies and France is included in market feasibility reviews	<b>Ongoing</b>
	5.2 Work with Ports of Jersey to develop and support further European air connectivity	<b>Ongoing</b>
	5.3 Explore hospitality and tourism, digital, educational, and vocational links with the departments of Ille-et-Vilaine and La Manche, and plan economic Ministerial visits accordingly	<b>2023-6</b>
	5.4 Conduct a feasibility study on increasing the Government's trade support presence in France	<b>2024</b>
	5.5 Build relationships with trade groups such as the Trans Manche Development Group	<b>Ongoing</b>
<b>International Engagement</b>		
<b>Export Support Service</b>	6.1 Assess the UK's local and national level of export support for potential collaboration	<b>2024</b>
	6.2 Provide trade data and export business leads to inform activities and target countries	<b>Ongoing</b>
	6.3 Review Jersey's diaspora network for export opportunities	<b>2024</b>
<b>International Links</b>	6.4 Create a priority list of Jersey products for highlighting at international and diplomatic engagements	<b>2023</b>
	6.5 Review economic opportunities via existing channels such as the Commonwealth, Island Games and Twinned Towns	<b>2023</b>
	6.6 Explore Jersey's potential applicability to the Paris Agreement on Climate Change, Trade and Sustainability <sup>27</sup>	<b>2023</b>
	6.7 Review Digital opportunities from the UK-Japan FTA and the WTO E-Commerce Joint Initiative	<b>2023</b>

## Annex B – Case Studies

In the absence of robust data on exports, the below is an illustrative list of specific industries chosen for their current or potential exporting importance to Jersey outside of FS and Tourism.

### Jersey Dairy

With the opening of the new £12 million dairy processing facility in 2010, Jersey Dairy considerably increased its manufacturing capacity.

With static demand for dairy products in Jersey, growth could only be achieved by creating new export markets. In 2011 36,000 litres of soft ice cream were sold in the UK, which increased ten-fold the following year to 360,000 litres. In the ten years that followed, increased distribution via wholesaler networks and direct to some high-profile retail groups have increased export volumes of this product category to almost 3 million litres. From 5% of total revenue in 2010, export revenue represented over 30% in 2021, substantially increasing company revenue and future viability.

In recent years, export opportunities to Asia have grown to almost 2 million litres particularly from Hong Kong, South Korea and Japan.

The current geopolitical climate continues to create uncertainties and impact costs at the dairy and on farms. However, Jersey Dairy has built considerable export experience in marketing and logistics and will continue its efforts to grow export volumes.



*Source: Jersey Dairy*

### Jersey Royals

Jersey Royals have been grown in Jersey for over 140 years and received EU Protection of Designation of Origin status in 1996. Today there are approximately 11 Island farmers who grow Jersey Royals, many of whom grow only potatoes and no other crops. The potatoes are grown over approximately 15,000 vergées, around a quarter of the land in Jersey.<sup>28</sup>

The Jersey Royal is Jersey's biggest crop export, accounting for around 70% of agricultural turnover. 99% of this production is exported to the United Kingdom. The value of annual potato exports is between £20-30 million with an export volume of around 25-30,000 tonnes.<sup>29</sup>

## **Marine**

The current value of capture fisheries (70%) and aquaculture (30%) is approximately £10 million. The industry employs 180 people and many more in associated industries such as engineering, maintenance and merchants.<sup>30</sup>

Since January 2021, Jersey has been part of the UK-EU Trade and Economic Cooperation Agreement for goods and fisheries. Goods exported from Jersey into Europe are not subject to tariffs and Jersey is responsible for the management of its waters, which has led to complications with the French fishing industry post-Brexit such as limited access to French ports and an impact on Jersey's ability to sustainably manage its own fish stocks.<sup>31</sup>

## **Medicinal Cannabis**

The European cannabis industry is estimated to be worth around US\$600m per annum and expected to exceed that of the US and Canada. There are now 20 countries in Europe that have approved the use of medical cannabis and the market is expected to reach US\$3.9bn per year by 2025.<sup>32</sup>

In 2017 the Government of Jersey started exploring alternative high value crops, as part of the Rural Economy Strategy 2017-2021. This strategy has evolved to develop a responsible, well-regulated medicinal cannabis industry. It has now issued 5 licences for commercial cultivation of medicinal cannabis<sup>33</sup>, putting Jersey at the forefront of the emerging European medicinal cannabis market. Medicinal cannabis provides Jersey and its businesses with a strong opportunity to build its export strength in a new industry, attracting business and investment across a developing market in Europe. A continued commitment to developing the industry is referenced in the Ministerial Plan for the Department for the Economy and, if successful, could lead to the development of a highly regulated bio-technology sector.

## **Spirits**

Market growth across the global spirits industry is 6% per annum, with a current market size of US\$784 billion.<sup>34</sup>

There are a small number of distillers producing spirits in Jersey, with more producing off-Island while maintaining links to Jersey. These micro-distilleries operate on a small scale but link to Jersey's celebrated produce and premium reputation, with some qualifying to use the Genuine Jersey mark.

An example of a globally successful spirit export can be seen in the Scotch Whisky market. Scotch Whisky is the world's top spirits export, worth £4.5 billion in 2021 from 180 markets. More than 11,000 people are directly employed in the industry and it is notably important to the economies of the Scottish islands.<sup>35</sup> This demonstrates potential learnings for a similar industry in Jersey.

## **Creative Industries**

Worldwide exports of creative goods exceeded US\$500 billion in 2015. In the UK, the creative industries have become an increasingly international sector and, as of 2017, exports of creative goods and services accounted for nearly 45% of the GVA to the UK by the creative industries.<sup>36</sup>

In Jersey creative potential is clear, with an emerging market of dedicated digital / creative agencies based here. In addition, Jersey has also enjoyed the emergence of a prosperous gaming industry, highlighted in the sale of a Jersey gaming business for £174m in 2022<sup>37</sup> and the merger of Twelve40.<sup>38</sup> Equally, opportunities in Jersey's film industry are shown in the success of Maple Rock Studios and PBS Broadcast.

The Arts Strategy for Jersey was published in March 2022, providing a vision for the development of the arts over the next five years. This followed the decision in 2019 by the States of Jersey to devote 1% of Government spending to arts, culture and heritage.

## **Education**

Higher education students from Jersey generally study in the UK. On average, 1,200 Jersey students will be studying at higher education institutions in the UK at any one time. Around 250 students are enrolled in on-Island Higher education courses, with a further 30 students studying internationally.<sup>39</sup>

Highlands University College Jersey offers a small number of courses accredited via UK universities. The Institute of Law offers a range of legal qualifications including an LLB degree. Several finance firms also enrol new recruits in accountancy and administration courses and Durrell Conservation Academy offer a further selection of courses for trainees. Jersey International Centre of Advanced Studies (JICAS) offers an MSc programme in partnership with the University of Exeter. There are many other links to higher education providers through health, digital, environmental and heritage sectors.

Globally, tertiary education is a growing industry and the UK is at the forefront. In 2019, there were 2.5 million students at UK universities. Of these students, 5.8% were from EU countries and 16.3% were from non-EU countries.<sup>40</sup> The total gross benefit of the 2018-19 cohort of international students to the UK economy was estimated at £28.8 billion.<sup>41</sup>

This provides a potential opportunity for Jersey to build on existing strengths and deliver education as a service export through strategic partnerships with established academic institutions.

## Renewable Energy

The worldwide economic opportunities in renewable energy are significant, with over US\$30 trillion of global investment funds already invested in sustainable assets.<sup>42</sup>

Jersey already has businesses operating in the natural resources and renewables space, which benefit from the Island's secure business environment and strategic geographic position as well as its international reputation as a centre for global operations. Examples include Sun Works and Jersey Electricity.

Jersey has favourable conditions for offshore renewable energy and has undertaken a significant amount of work in this space over the years which is reflected in the Carbon Neutral Roadmap and the Bridging Island Plan. As well as feasibility into a tidal barrage, work was undertaken on an offshore wind farm which is currently being refreshed. Advances in the economic case for offshore wind generation, including lower capital costs and a new generation of larger turbines, mean that a development could help the Island meet its energy security and sovereignty objectives, whilst also providing a valuable export.

## Jersey Telecom

Jersey Telecom is headquartered in Jersey and government-owned, employing over 500 people across the world and operating a thriving international export business. JT has invested heavily in quality networks and infrastructure to keep Islanders connected, but those same networks have much greater capacity and capabilities than the population of the Channel Islands can use. JT International was created to sell and export innovative connectivity services to a growing global market.



The Internet of Things (IoT) division, created in 2014 was sold for a record sum in 2021 after doubling in size each year, over its last 3 years. At the time, it had almost 10 million JT SIMs in active use and its growth story was a result of the company's agility and ability to scale fast, whilst maintaining a premium service for Islanders. The sale aided Jersey's growing global reputation for local digital talent, inward investment and global reputation as an incubator of successful digital businesses for the future.

Since the sale of JT IoT, the company has continued to invest in other emerging technology products and services, such as Fraud Prevention Services. Now a firm leader in the prevention of mobile fraud, JT's solutions have grown on its success in the UK market where it holds extensive network coverage due to its agreements with major mobile operators such as Sky Mobile. They now also provide UK banks and financial service providers with specialist fraud prevention solutions, with further growth expected across Europe and Australia.

*Source: JT Global*

## **Digital Opportunities**

The digital economy is increasingly central to the global economy, representing as much as US\$11 trillion or 15.5% of global GDP in 2019.<sup>43</sup> The value of UK exports that are digitally delivered is £207 billion annually. In Jersey, Business Services, of which some are digital exports, contribute over £500m to GVA.<sup>44</sup>

Digital exports are therefore a strong market in which Jersey could engage further for example, building on financial services trust management strengths with data stewardship and software as a service (SaaS). A clear demonstration of this opportunity is Pinpoint, a local technology company which now trades globally, developing software to help attract, hire, and onboard talent. The global SaaS market is expected to grow from US\$131 billion in 2021 to US\$717 billion by 2028<sup>45</sup>, providing Jersey with a significant growth opportunity in this area.

## Annex C - Consultation Summary

### Background

On 11 May 2022, the Export Strategy Green Paper was published which opened the Public Consultation to help inform the development of the strategy. This general consultation was joined by the Business Survey in early July which invited businesses in Jersey to share the detailed experience of exporting or challenges preventing them from doing so.

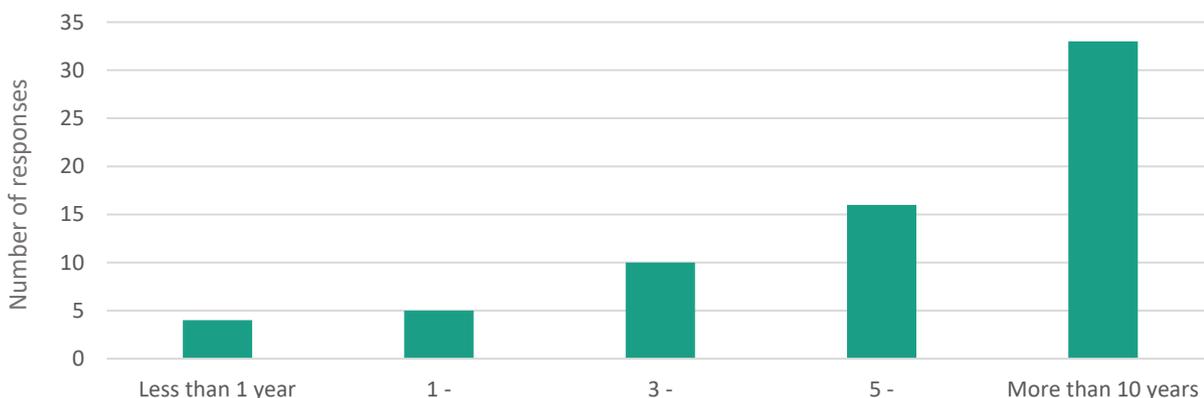
Both were available on the Government of Jersey website for anyone to respond and were promoted via Government social media channels, press notices, Arm's Length Organisations and business representative groups such as the Chamber of Commerce. This was added to by meetings with individual businesses and industry leaders who were identified as key contacts or engaged organically in the development of the strategy. The consultation period ended on 11 September 2022.

### Number of Responses

	Public Consultation	Business Survey
Total responses analysed <sup>46</sup>	8	71

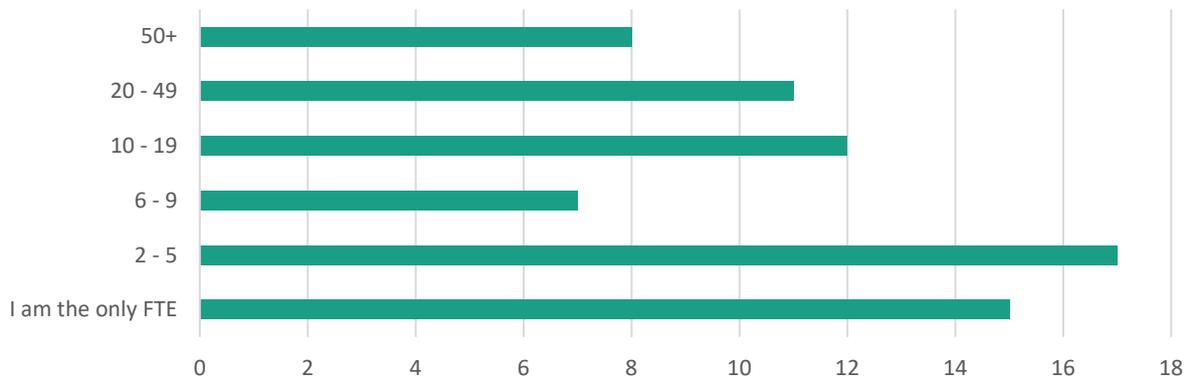
In addition, officials have met around 30 businesses and business representatives during the consultation period. Insights from these meetings are not included below.

#### 1. How long has your business been operating in Jersey?



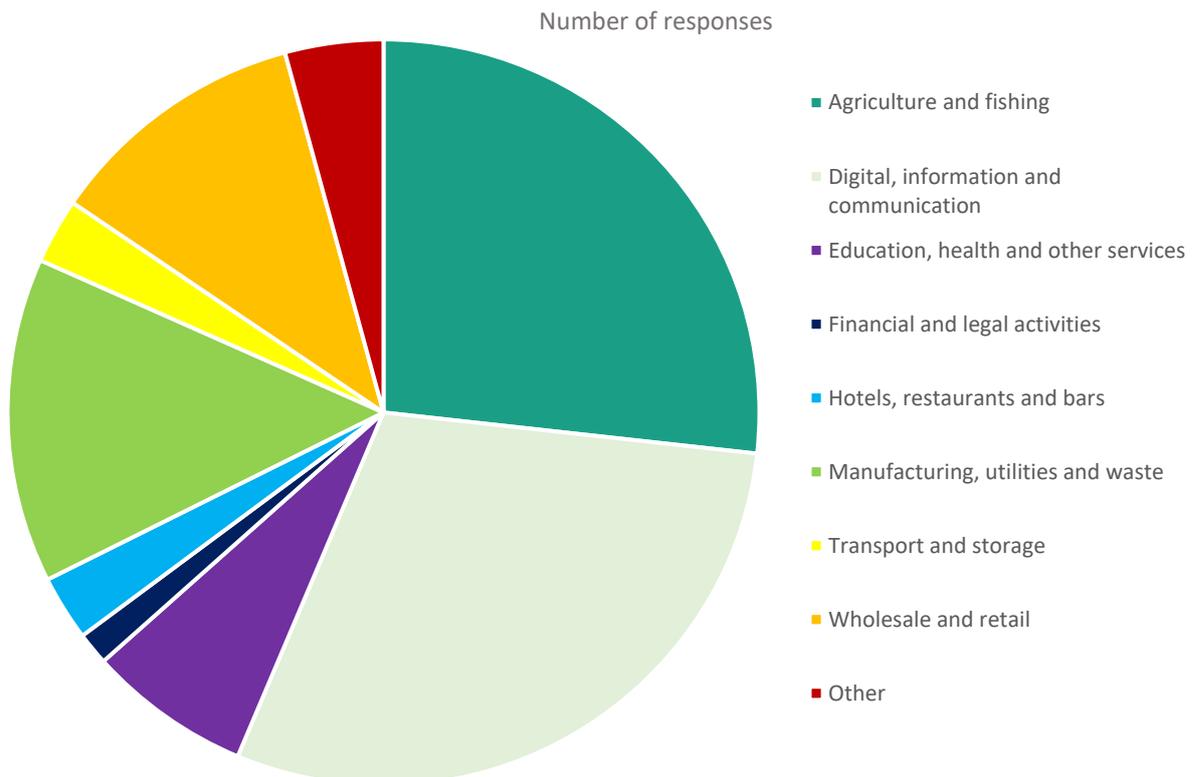
Over 80% of respondents have been operating for more than 3 years and over 50% for more than 10 years. The UK average is 8.5 years.

## 2. How many full-time equivalent posts does your business have?



This is a broad spread across FTE post numbers, despite the fact that 94% of Jersey businesses have below 20 FTE.

## 3. In which industry sector does your business predominantly operate?



The [UK Standard Industrial Classification](#) (SIC) categories were the basis for this survey. Certain assumptions were made when consolidating responses:

- Arts businesses were placed depending on the most relevant category (e.g. jewellery/ceramics within manufacturing)

- Companies that manufacture and also retail their own produce were placed in manufacturing
- Fintech companies were placed in digital, information and communication
- Ecommerce companies were placed in wholesale and retail

**4. Is your business exclusively based in Jersey?**

80% of respondents were exclusively based in Jersey. Businesses were instructed to respond 'no' if it has a parent company, holding company or subsidiaries outside of Jersey.

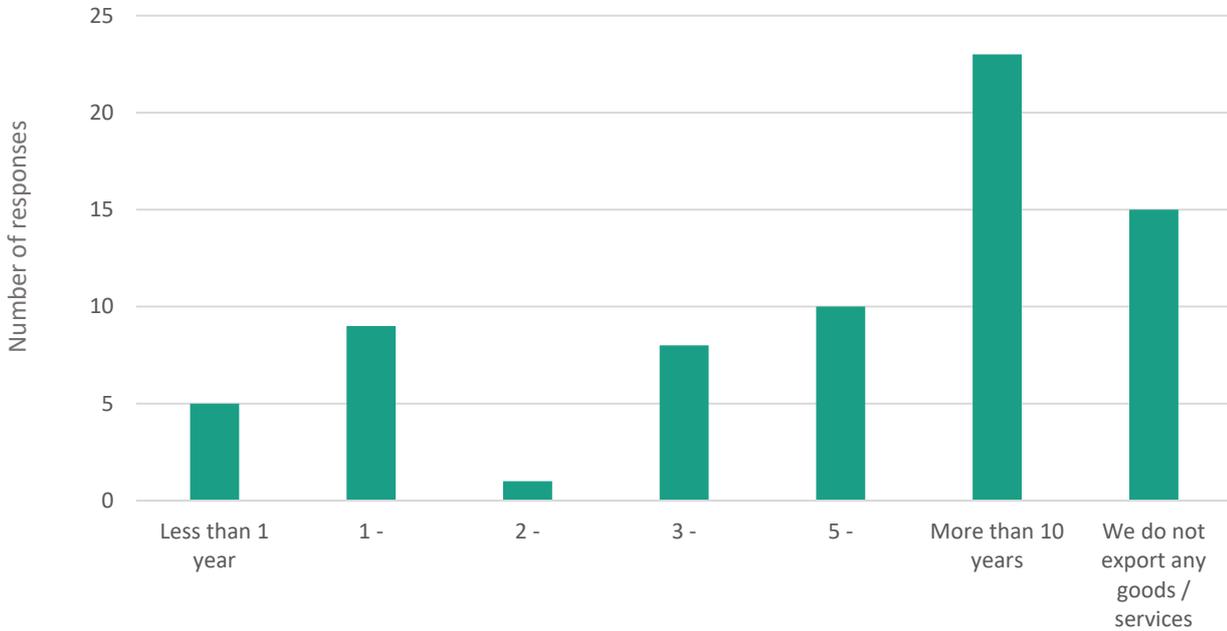
**5. Which category best reflects the annual turnover of your business?**



**6. In the last 12 months, what percentage of purchases were made from Jersey-based businesses (rather than imports)?**

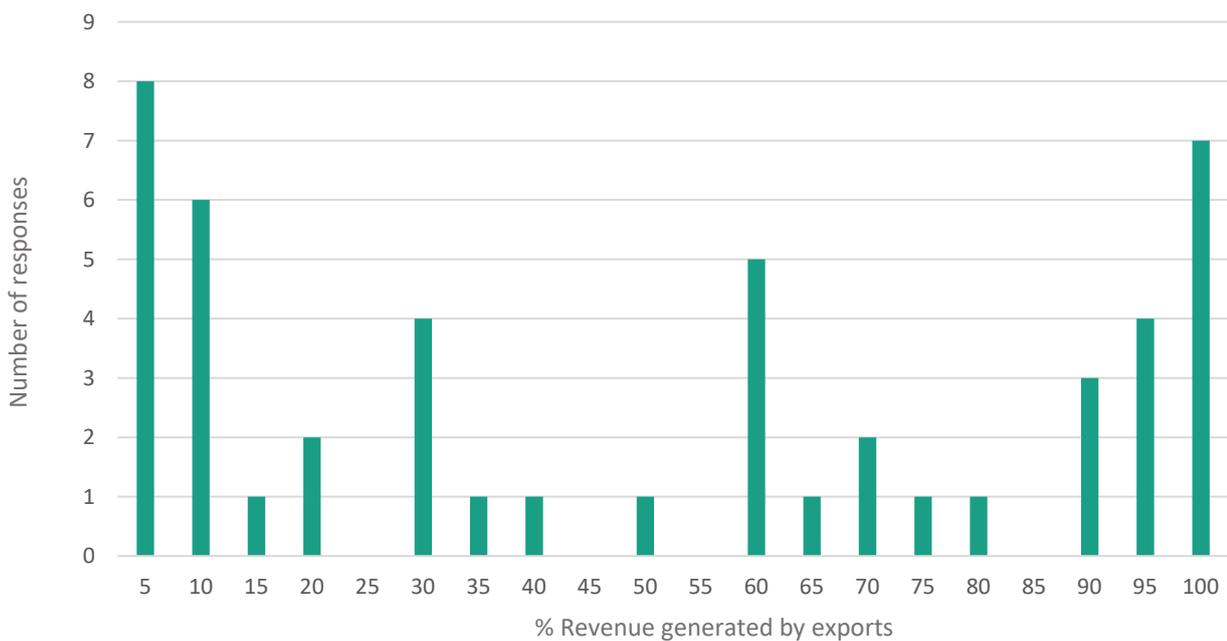
38% of total purchases made from Jersey companies. A number of responses qualified that products they required were not available in Jersey so had to be imported. Caution is needed in interpreting this figure as products can be sold via Jersey companies but originate abroad.

### 7. How long has your business been exporting?



[Q8 – 15 were answered only by the 48 respondents who indicated they exported in Q7]

### 8. In the last 12 months, what percentage of your business revenue came from exports?



Of the 48 exporters, the average estimate of revenue generated from exports was 50%. Generally, the larger the annual turnover, the larger the proportion of revenue came from exports. Businesses with a turnover above £1m had an average of 57% of their revenue from exports; those with a turnover above £10m had an average of 65%.

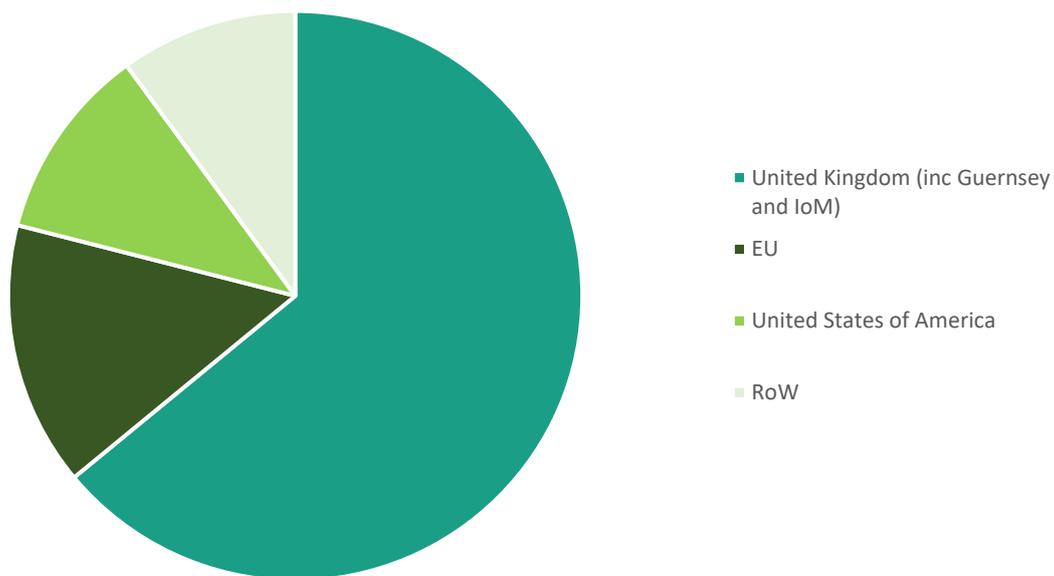
### 9. Thinking about goods, how are you exporting?

30 out of 48 respondents export goods (42%). 73% of goods exporters sell directly to overseas customers. The next largest was 23% who sell via agents/distributors.

### 10. Thinking about services, how are you exporting?

27 out of 48 respondents export services (38%). 59% of services were delivered by cross-border supply (e.g. emailing over architectural work). The next largest was 19% presence of a natural person<sup>47</sup> (e.g. a lawyer undertaking work abroad).

### 11. Which countries do you predominantly export to?



Businesses were asked to identify the top 5 destinations of their exports. The UK dominates responses followed by the EU then the USA. Of the EU countries, France is mentioned most but, on its own, is mentioned less than the USA. There was no significant difference in destinations from businesses who exports goods compared to services.

**12. Has your business received any kind of support in reaching its current level of exports?**

The vast majority did not report any kind of support. Of the few that did, some mentioned current export support being through agricultural grants and some referenced historical trade show support.

**13. To what extent do you agree or disagree that you face the following challenges when exporting:**

	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree
Obtaining information about the market	6	10	14	10	3
Identifying the right contacts in the market	11	9	12	9	3
Having the necessary people resource to export	7	16	9	10	2
Managing the logistics of supplying the market	8	14	10	7	5
Dealing with legal, financial and customs regulations to export	12	16	5	8	3
Dealing with language barriers and managing cultural differences	3	7	9	17	8
Ensuring you get paid, protecting your intellectual property	6	7	16	11	5
Dealing with customer enquiries, orders and complaints	3	7	15	11	7

The top 3 issues facing those currently exporting were: dealing with legal, financial and customs, identifying the right contacts, and having the necessary people resource for exporting.

**14. What are the most significant barrier/s you face when exporting?**

*Qualitative responses are summarised at the end.*

**15. Over the next three years, do you expect your exports to... increase, stay the same, or decrease?**

Responses were incredibly positive about their future exports. 80% of businesses currently exporting expect their exports to increase and only 11% expect a decrease.

**[Q16 – 19 were answered only by the 15 respondents who indicated they exported in Q7]**

**16. Do you see any opportunities for exporting in the next three years?**

58% of respondents not currently exporting said they see opportunities to start. Of those that did not, some businesses sell products that are not typically exported.

**17. To what extent do you agree or disagree that you would face the following challenges when exporting:**

	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree
Obtaining information about the market	1	5	3	1	1
Identifying the right contacts in the market	2	3	2	3	0
Having the necessary people resource to export	2	4	4	0	1
Managing the logistics of supplying the market	1	3	5	1	0
Dealing with legal, financial and customs regulations to export	5	2	3	0	0
Dealing with language barriers and managing cultural differences	2	0	3	4	2
Ensuring you get paid, protecting your intellectual property	2	2	3	3	1
Dealing with customer enquiries, orders and complaints	0	3	3	4	1

The top 3 issues facing those not currently exporting were: obtaining market information, managing logistics, and dealing with legal, financial and customs.

**18. What are the most significant barrier/s you face when exporting?**

*Qualitative responses are summarised at the end.*

**19. Which countries would you expect to export to?**

Responses were similar to the existing exporters destinations with the UK, EU and USA mentioned. With only 9 respondents, further comparison is not considered valuable.

**20. How much do you agree or disagree that the following would be useful in helping you to export?**

	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree
International export mentoring and training	11	13	20	8	3
Export regulation advice	12	17	15	7	3
Market feasibility research and identifying contacts	10	18	18	3	5
Promotional activities such as producing marketing material	13	9	9	8	5
Access to financial support	19	18	14	2	1
Stronger transport / logistics links between Jersey and France	1	8	13	11	6
Stronger transport / logistics links between Jersey and the UK	25	13	7	4	5

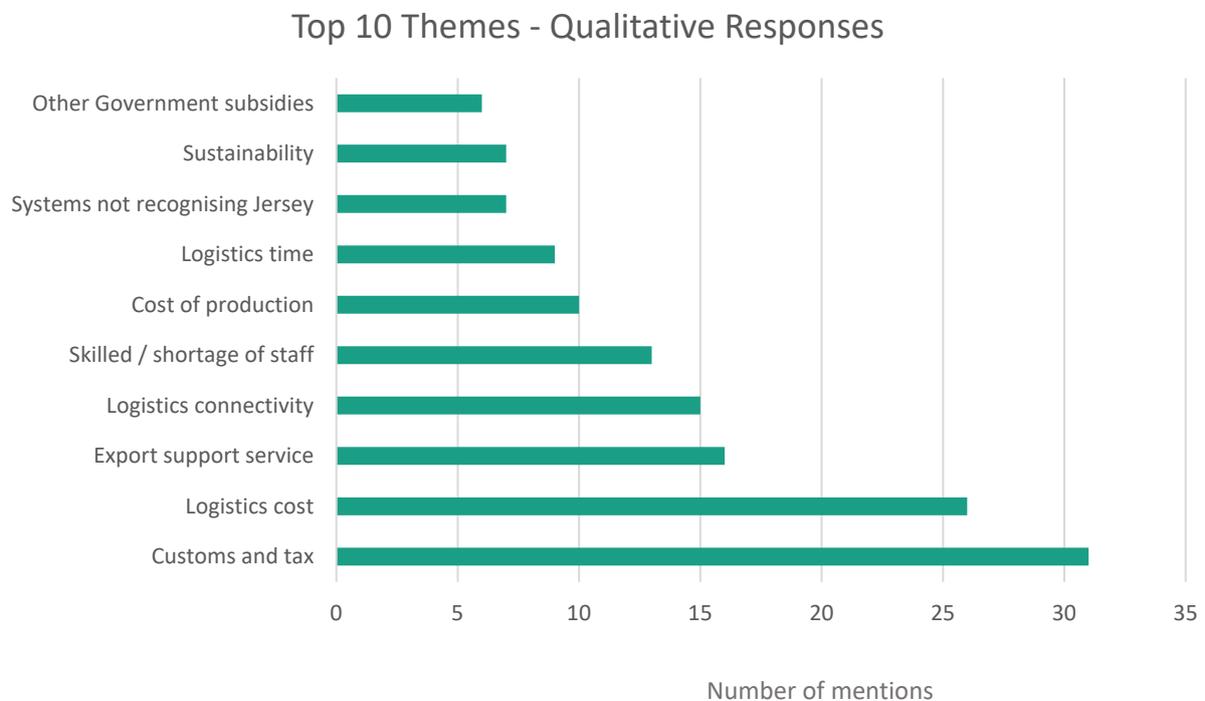
The top 3 areas that most strongly agreed would help exports were: access to financial support, stronger transport / logistics links between Jersey and the UK, export regulation advice. The lack of support for stronger links with France seems at odds with direct business engagement. Goods exporters were almost unanimously interested in increasing links to the continent.

## 21. How else could the Government of Jersey support the development of exports?

*Qualitative responses are summarised at the end.*

### Qualitative Responses

Responses to the Public Consultation and the qualitative responses from the Business Survey were compiled and then reviewed to identify common themes. The top 3 challenges or opportunities were: customs and tax, logistics cost, and an export support service. Many respondents mentioned more than one challenge or opportunity, so these responses exceed the number of respondents. Some specific issues identified by only a few respondents will be followed up separately.



## Notes

<sup>1</sup> [Link to Executive Summary](#)

<sup>2</sup> [International trade and investment - the economic rationale for government support \(publishing.service.gov.uk\)](#)

<sup>3</sup> Based on experimental Government analysis of 2021 GST data based on working assumptions of export density by sector. This estimate should be treated as indicative only.

<sup>4</sup> This covers all goods and services exports from Jersey except Financial Services and Tourism.

<sup>5</sup> Based on experimental Government analysis of 2021 GST data based on working assumptions of export density by sector. This estimate should be treated as indicative only.

<sup>6</sup> [VJ Infographic March 2022 14mill edited \(jersey.com\)](#)

<sup>7</sup> Based on Ports of Jersey data for 2021

<sup>8</sup> [National Risk Assessment of Terrorist Financing April 2021.pdf \(gov.je\)](#) paragraph 3.19 and 3.21.

<sup>9</sup> [Digital Trade: a Board of Trade report \(publishing.service.gov.uk\)](#)

<sup>10</sup> [Methods using econometrics to evaluate the impact of trade promotion activities \(publishing.service.gov.uk\)](#)

<sup>11</sup> [Comparative review of trade promotion organisations: phase 1 Report \(publishing.service.gov.uk\)](#)

<sup>12</sup> [The Impact of Publicly Funded Export Promotion Services \(publishing.service.gov.uk\)](#)

<sup>13</sup> [Comparative review of trade promotion organisations: phase 1 Report \(publishing.service.gov.uk\)](#)

<sup>14</sup> [The Impact of Publicly Funded Export Promotion Services \(publishing.service.gov.uk\)](#)

<sup>15</sup> [Comparative review of trade promotion organisations: phase 2 report \(publishing.service.gov.uk\)](#)

<sup>16</sup> [Comparative review of trade promotion organisations: phase 2 report \(publishing.service.gov.uk\)](#)

<sup>17</sup> [J004598 JCRA Freight Market Study Infographics \[PROOF7a\].pdf](#)

<sup>18</sup> [Beyond 20/20 WDS - Table view - Goods and Services \(BPM6\): Exports and imports of goods and services, annual \(unctad.org\)](#)

<sup>19</sup> [World Economic Outlook Database, April 2022 \(imf.org\)](#)

<sup>20</sup> [Trade and Investment Factsheet \(publishing.service.gov.uk\)](#)

<sup>21</sup> [WTO | Publications](#)

<sup>22</sup> [Joint statement: Agreement on Climate Change, Trade and Sustainability \(ACCTS\) Trade Ministers' meeting | Beehive.govt.nz](#)

<sup>23</sup> This covers all Jersey exports except Financial Services and Tourism.

<sup>24</sup> Based on experimental Government analysis of 2021 GST data based on working assumptions of export density by sector. This estimate should be treated as indicative only.

<sup>25</sup> Great Taste Awards up to three stars per product. This tracks the total number of stars awarded to Jersey based producers.

<sup>26</sup> [Methods using econometrics to evaluate the impact of trade promotion activities \(publishing.service.gov.uk\)](#)

<sup>27</sup> [Joint statement: Agreement on Climate Change, Trade and Sustainability \(ACCTS\) Trade Ministers' meeting | Beehive.govt.nz](#)

<sup>28</sup> [Jersey Royals](#)

<sup>29</sup> [Jersey Evening Post](#)

<sup>30</sup> [GoJ Marine Resources Annual Report 2018](#)

<sup>31</sup> [BBC News - Jersey officials hold talks with French fishermen over rights dispute](#)

- <sup>32</sup> [Channel Eye - Jersey issues first licences for medicinal cannabis cultivation in Channel Islands](#)
- <sup>33</sup> [Government of Jersey](#)
- <sup>34</sup> [Global Data - Opportunities in the Global Spirits Sector](#)
- <sup>35</sup> [Scotch Whisky Association](#)
- <sup>36</sup> [Newcastle University – The UK’s International Trade in Creative Goods and Services](#)
- <sup>37</sup> [Digital Jersey](#)
- <sup>38</sup> [Bailiwick Express - Company merger in Jersey’s e-Gaming sector](#)
- <sup>39</sup> [ITV News - Channel Islands students to pay same university fees as UK counterparts](#)
- <sup>40</sup> [Universities UK - Higher education in facts and figures 2021](#)
- <sup>41</sup> [Universities UK - International Facts and Figures 2022](#)
- <sup>42</sup> [Bloomberg - ESG assets may hit \\$53 trillion by 2025](#)
- <sup>43</sup> [Digital Trade: A Board of Trade report \(publishing.service.gov.uk\)](#)
- <sup>44</sup> [GoJ Export Strategy Green Paper](#)
- <sup>45</sup> [Fortune Business Insights](#)
- <sup>46</sup> Other responses received were too incomplete for analysis (13 for the public consultation and 75 for the business survey).
- <sup>47</sup> The four categories of supplying a service internationally are defined here - [WTO | Services - CBT - Basic Purpose and Concepts - Definition of Services Trade and Modes of Supply](#)