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By email

4th April 2023

Dear Chair,

Ease of Doing Business Programme

I am writing to outline the progress underway across a new 'Ease of Doing Business' workstream, which is being developed under the Future Economy Programme (FEP). Its objective is to ease the process to doing business on the Island, contributing to economic growth and developing Jersey's economy. This programme contributes to the Economy and Skills priority and is a key part of the work under the FEP, helping to shape the economy to 2040.

The programme currently consists of 7 projects which are outlined below and was created in recognition of the range of activity underway and planned across Government to improve the business environment. This includes the 'Barriers to Business' commitment in my Ministerial Plan, which is being taken forward by Jersey Business Limited (JBL). The programme approach also means further projects can potentially be added as this evolves, such as business interactions with government processes.

1. Barriers to Business (Jersey Business Ltd)

This project is being led by JBL, with support from Economy officials and will include stakeholder engagement and consultation with Island businesses on perceived and real barriers to doing business in the Island. The project will build on recent work undertaken by Customer and Local Services to streamline and digitise business interaction with that department and will consider learnings from that work. The project will likely commence in April. Once complete, the Department will consider the outcomes and recommendations and work across Government of Jersey (GoJ) to look at the feasibility of changes.

2. Barriers to Attracting Inward Investment

This workstream consists of a consultancy project which was commissioned in December 2022 with London Economics. The task was to provide an assessment of how Jersey could reduce barriers to inward investment, through researching 10 jurisdictions and the policies they use to attract businesses. High-Value Residence schemes were out of scope. This work is now being used to inform the forthcoming Inward Investment Strategy.

3. Automatic Voter Registration

The FEP has been contributing to a project, facilitated by the Cabinet Office, to introduce automatic voter registration in Jersey. The current system relies on individuals registering to vote and the management of voter registration by each parish. This project seeks to deliver a solution which provides a simple and digital process to determine eligibility to vote, necessitating a harmonisation of data to deliver a centralised data source. This will enable the support of digital processes and consequentially continued access to financial and other services for the residents of Jersey. Early aims are to implement a system before the next election in 2026.

4. Access to Finance

The purpose of this workstream is to encourage greater access to finance for both residents and businesses in Jersey. This leverages the outcomes of the 2022 Banking Review Phase 1, which, through Phase 2

currently underway, has workstreams with overlying drivers to ease the delivery of financial services and products for both IFC and the domestic market. Connected to this is the increased adoption of Digital 'Know Your Customer' checks, which has direct interdependencies to the above work on Automatic Voter Registration. Work relating to this will be completed in alignment with the delivery timelines of the Banking Review Phase 2 and Digital ID November 2022 Consultation Response Paper.

5. Competition

This workstream centres on updating Jersey's competition law. Maintaining an attractive and competitive business climate, with a robust, transparent, and supportive (wherever possible light-touch) regulatory environment, is essential for the Jersey economy. This helps to create healthy markets and lower prices and more choice for local consumers.

A public consultation has recently been published which seeks views on several proposed changes which aim to ensure the legal framework supports business innovation and growth, competition, and looks after the interests of consumers.

6. Vertical Arrangements

As you will be aware, a new Vertical Arrangements Block Exemption Order is being developed. The purpose of the Order is to lower barriers to doing business in the Island by removing the unnecessary burden of seeking regulatory approval for certain, essentially benign, business arrangements. As such, the Order will provide legal certainty and encourage parties to enter into efficiency enhancing arrangements, that will ultimately benefit consumers. The Order is planned to come into force in Q2 2023 and will expire on 1 June 2028.

7. Intellectual Property

This workstream covers the updating of Jersey's intellectual property framework to enable Jersey to participate in modern, UK-negotiated, Free Trade Agreements. Long term, investment in Jersey's IP regime may also present an opportunity for the Island to build on its firm foundations as a legal, financial, and modern services hub and leverage IP to diversity its economy, support innovation and creativity and boost investments. Subject to Council of Ministers approval, work will commence with a view to completing domestic IP requirements in 2024.

Next Steps

Work across these different projects will proceed as we continue to work with stakeholders and begin to deliver changes to ease the process of doing business in Jersey. However, it is also important to recognise that some barriers which may be identified are necessary and will continue to be so, particularly concerning legal obligations. This may include introducing more regulation or legislation to mitigate issues such as money laundering in Financial Services.

I trust this letter provides you with a sufficient update in relation to ongoing work across the 'Ease of Doing Business' programme. However, please let me know if the above raises any questions or if you would like any further information ahead of the upcoming briefings on the FEP and competition law.

Yours sincerely,



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