# STATES OF JERSEY

# REDUCTION OF EXCISE DUTY ON ROAD FUEL (P.60/2026): AMENDMENT

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**Lodged au Greffe on 14th July 2026**
**by Deputy H.L. Jeune of St. John, St. Lawrence and Trinity**
**Earliest date for debate: 8th September 2026**

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**STATES GREFFE**

REDUCTION OF EXCISE DUTY ON ROAD FUEL (P.60/2026): AMENDMENT

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After the words "31st December 2026" insert the words ", and to ensure that the temporary reduction has no impact on funding to the Climate Emergency Fund".

DEPUTY H. JEUNE OF ST. JOHN, ST. LAWRENCE AND TRINITY

**Note:** After this amendment, the proposition would read as follows –

**THE STATES are asked to decide whether they are of opinion −**

to request the Minister for Treasury and Resources to bring forward the necessary legislative amendment required to temporarily reduce excise duty on road fuel by 10 pence per litre for the period from 1st October 2026 to 31st December 2026, and to ensure that the temporary reduction has no impact on funding to the Climate Emergency Fund.

## REPORT

This amendment asks the Minister for Treasury and Resources to ensure that any temporary cut to excise duty on road fuel does not impact the Climate Emergency Fund ("The Fund").

I am not asking Members to protect this Fund because of its name. I am asking to protect it because of what it has been used for and could be used for: local trade jobs, lower household energy bills, and practical protection against the costs the Island will face from more extreme weather. Whatever your view on climate targets, there is a genuine economic and cost-of-living case here. To note, there are no specific allocations tying the Fund to particular Carbon Neutral Roadmap policies[1] (CNR)

### How the money reaches the Fund

The Fund is filled by hypothecated income: money from fuel duty and Vehicle Emissions Duty, transferred in every quarter. Since it was set up in 2020, pre-dating the CNR, £15.57m of the £21.93m paid in has come from fuel duty alone. If excise duty on fuel is reduced and nothing is done to protect that transfer, the Fund's income falls automatically, without the Assembly ever debating whether that's the right call. This amendment simply asks the Minister to keep those two decisions separate.

### A jobs and skills fund, not a subsidy pot

The biggest misconception about this Fund is that it hands out grants to individuals and stops there. It doesn't. The Low Carbon Heating Incentive only pays out through installers accredited under the Contractor Quality Scheme; homeowners cannot claim the grant unless they use a certified local tradesperson. Highlands College has run design and installation courses to build that certified workforce: the last Carbon Neutral Roadmap Progress Report shows 12 people through design training and 10 through installation, drawn from 9 different Jersey businesses, with more courses planned. That is new, certifiable trade capacity sitting with Jersey firms and Jersey employees.

The CNR's own supply-chain policy is explicit that the purpose of these incentives is to strengthen the local supply chain for these technologies - dealerships, installers, electricians- so it is Jersey businesses capturing the work. The independent Climate Council's own analysis backs this (Climate Council Report March 2026): progress will stay limited without a coordinated skills plan covering mechanics, electricians, drivers and planners. That is a workforce gap, and it is exactly what a ring-fenced fund, rather than general taxation, is built to close.

Bus trials show the Fund working as economic infrastructure. A trial of five additional bus services was paid for out of the Fund, assessed, and then folded permanently into the new 10-year Liberty Bus contract - a long-term, jobs-supporting commitment. The Fund has also committed £850,000 to the Western Bus Gate infrastructure, due in 2026, improving how people and goods move around town.

[1] Written Question 238/2025 & Climate Emergency Fund

**Lower bills, not just lower emissions**

For most households, the practical draw of this Fund isn't a climate target, it's a lower fuel bill. Heat pumps and better insulation reduce reliance on oil and imported gas, both of which are volatile and largely outside Jersey's control. The Low Carbon Heating Incentive has already supported 503 completed installations, averaging £4,776 per grant, moving homes off costlier fuel sources. That should be seen as a cost-of-living measure.

**The cost of doing nothing**

Whatever position anyone takes on future targets, the Island is already paying real money to cope with more extreme weather now. Jersey Water's own figures show water-supply costs jumped 46% in a single year, driven by extra desalination through a dry summer. Their Water Resource and Drought Management Plan requires a 50% expansion of the desalination plant by 2030, a specific, costed bill the Island has to meet regardless of the wider climate debate. Both the new Minister for Education and the new Minister for Health have already indicated they need to look at their property portfolios and how extreme heat is affecting productivity, closed schools, delayed operations, unbearable conditions for patients, children and staff. The Shoreline Management Plan, estimated at £200 million over the next century, exists because of rising sea levels and more extreme storms. Storm Ciaran alone forced a significant tree replanting programme, on top of the cost to government of clearing downed trees and repairing roads damaged by root and storm impact. Ports of Jersey is completing a climate risk assessment for the harbour and airport in 2026, because storm and sea-level risk carry direct cost implications for infrastructure the Island depends on. None of this is speculative. It is money already spent, or already budgeted, to deal with weather the Island has already lived through.

The Fund is too small to cover infrastructure bills of that size, and that isn't its job. Its job is to back the innovation and pilot work that gets Jersey ahead of those costs-trialling new technology, backing local firms first, and building the skills base so that when the green economy grows, it is Jersey businesses capturing that growth rather than importing it. That is the return this Fund offers: not just mitigation, but a head start.

**Answering the "too expensive" argument**

I know colleagues elected this term want a genuine just transition, one that doesn't load extra cost onto ordinary households or businesses. I agree with that instinct entirely. But look at the scale: total Fund programme spend has amounted to around £220 per resident since 2022, roughly £55 a year. Set against the trade skills, bus infrastructure, lower bills and adaptation work that money has delivered, that is something I believe is worth pausing on.

And this isn't a niche concern. PwC's (PricewaterhouseCoopers) Green Jobs Barometer[2] for the Channel Islands found that over the two-year period from January 2021 to December 2022, 507 new green jobs were advertised in Jersey, 180 more than in the previous two-year period, representing 1.7% of all job vacancies on the Island. It is a growing part of our economy, and one that can help diversify our job market and give young Islanders a wider range of careers to choose from here at home. That is exactly the kind of local job growth this Fund is designed to support and accelerate.

[2] Green Jobs Barometer - PwC Channel Islands

The answer lies in what the Fund is used for. This is a discussion to have, and one the Minister for Environment needs time to decide the direction of travel on, but a fund that can continue to support trade skills, local supply chains, businesses, bus infrastructure and adaptation, as part of building a green economy that is creating local jobs, should not be allowed to quietly shrink because of a Budget technicality before we've had that conversation.

**I ask Members to support this amendment.**

**Financial and staffing implications**

This amendment does not change the reduction in fuel duty proposed by the proposition, which equates to just over £900,000 in reduced revenues for three months.

It will remain for Minister to decide how to accommodate the reduced income considering the detailed figures they will have available on the GST offset. However, if this amendment is adopted the reduction in excise duty should have no impact on funding to the Climate Emergency Fund.

**Children's Rights Impact Assessment**

I consider that this amendment has no direct or indirect impact on children and that the duty to have due regard to the UN Convention on the Rights of the Child does not arise. Accordingly, a Children's Rights Impact Assessment is not required under the Children (Convention Rights) (Jersey) Law 2022.