

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY R.S. KOVACS OF ST. SAVIOUR
QUESTION SUBMITTED ON MONDAY 6th OCTOBER 2025
ANSWER TO BE TABLED ON MONDAY 13th OCTOBER 2025**

Question

“In relation to the Fuel Duty Replacement Policy, as referenced on page 37 of the [Proposed Budget \(Government Plan\) 2026-2029](#), will the Minister advise what work, if any, has been carried out on establishing how the lost funding will be replaced, for example through vehicle ownership charges, road user charges or other measures?”

Answer

It has been long acknowledged that alternative charges will be needed to make up the funding lost from declining fuel duty, as Islanders switch to more sustainable forms of transport.

Considerable work was undertaken in 2024, during which time three broad options were developed in-line with the ‘polluter pays’ principle: a vehicle ownership charge, a road user charge, and a hybrid option.

Ministers decided to pause work later in 2024 on the basis that the data showed that fuel duty receipts were in steady decline only. The work undertaken to-date has not been lost and remains relevant to future decisions on the Fuel Duty Replacement Policy (FDRP).

In 2025, government economists analysed the latest fuel duty data. The analysis did not suggest any significant shifts in the pattern of fuel consumption. On that basis, Ministers decided to maintain the pause on the FDRP.

Fuel consumption will continue to be monitored. There will be a further review of fuel duty receipts in 2026 to inform future decisions.