WRITTEN QUESTION TO THE MINISTER FOR EXTERNAL RELATIONS
BY DEPUTY H.L. JEUNE OF ST. JOHN, ST. LAWRENCE AND TRINITY
QUESTION SUBMITTED ON MONDAY 26th OCTOBER 2026
ANSWER TO BE TABLED ON MONDAY 2nd NOVEMBER 2026

Question

"Further to the adoption of the Proposed Budget (Government Plan) 2025-2028 (P.51/2024): ninth amendment. Pillar 2 Allocations, as amended by the Council of Ministers, will the Minister advise –

(a) what drivers to a net-zero economy have been identified through the Sustainable Finance Action Plan since the Budget was adopted, and by whom;
(b) what funding, from Pillar 2 revenue or any other source, has been made available for those drivers in 2025 and 2026, with amounts and the projects funded, and if none, why not;
(c) what action has been taken to support the decarbonisation of the finance industry and with what funding;
(d) how the Council of Ministers has applied the "specific focus" on delivering the Sustainable Finance Action Plan when allocating Pillar 2 competitiveness funding, and how much of that funding has gone to the plan's delivery; and
(e) what provision for these commitments is made in the proposed Budget 2027–2030 and, if none, whether the Minister still considers the 2024 wording to be Government policy?"

Answer

a) The Sustainable Finance Action Plan complements the main economic drivers to a net-zero economy which have already been identified within the Jersey's wider climate policy framework, including the Carbon Neutral Roadmap.

Through implementation of the Action Plan, several financial services policy drivers relevant to Jersey's transition to a net-zero economy have been incentivised and reinforced in a collaborative effort between Government of Jersey, Jersey Finance and the Jersey Financial Services Commission. This includes the addition of new regulatory expectations, the support for new sustainable finance products, corporate social responsibility initiatives and the promotion of sustainable investments. For example:

- The addition of new sustainability risk management and anti-greenwashing obligations to our finance industry firms has promoted an increased awareness of firm's impact into the environment and encouraged the adoption of best practices to support the decarbonisation of the finance industry.

- The support for new sustainable finance products has encouraged local banks to lunch new green products targeting the financing of local sustainability development strategies set by public sector entities as well as local businesses.

- Through enhanced awareness raising, skills and collaboration a range of new corporate social responsibility and philanthropic initiatives have been carried out by our finance industry supporting Jersey's reforestation and the protection of our marine and coastal habitats.

The Carbon Neutral Roadmap recognises that the biggest impact the finance industry can make is in relation to the deployment of sustainable investments internationally. The promotion of Jersey as a sustainable finance centre and further understanding of the compatibility between fiduciary

duties and sustainable investments have facilitated an increase in focus on sustainable investments from our finance industry which supports the transition to a net-zero economy by other communities in other parts of the world.

b) The Pillar Two base case, which represents the level of recurring revenue that the Government can reasonably expect to receive on a sustainable basis over the medium term, is used towards:

- Servicing borrowing associated with Phase 1 of the New Healthcare Facilities Programme;
- Investment to enhance the competitiveness of Jersey's financial and professional services sector;
- Funding the ongoing costs of implementing, administering and maintaining the Pillar Two regime; and
- Providing sustainable baseline funding for public services.

Pillar Two income in excess of the base case is subject to significant uncertainty. Hence, such revenue will not be used to fund recurring expenditure or create ongoing spending commitments. It will be used to:

- Help fund the New Healthcare Facilities Programme;
- Reduce the need to draw from the Strategic Reserve;
- Reduce the need for further borrowing.

c) The decarbonisation of the different economic sectors in Jersey (including financial services), including through energy, construction or transport transition policies, is established within the Carbon Neutral Roadmap, which is supported by a wide range of ministerial departments. Within this framework, as well as the Sustainable Finance Action Plan, the role of the Minister for External Relations with responsibility for Financial Services is to support the growth of local - and the attraction of new – sustainable finance investments. This in turn supports the fulfilment of net-zero commitments made by Jersey and its business community, as well as contributing to jobs, growth and the collection of tax revenue to fund public services in Jersey.

d) [see B]

e) The Sustainable Finance Action Plan has resulted in tangible outcomes, including increasing Jersey's regulatory expectations and deepening understanding of sustainable investments.

As outlined in the Common Strategic Policy, our focus must now turn to the growth of the finance industry, implementing Time to Win strategy to secure Jersey's competitive edge in financial and related professional services. The competitiveness funding is intended to:

- improve the competitiveness of Jersey's financial and professional services sector;
- modernise the sector;
- make it easier, faster and more attractive for customers to do business in Jersey; and
- help retain and maximise government revenue supporting public services.

Increasing Jersey's overall business attractiveness (speed, simplicity, cost) should make Jersey even more attractive to the sustainable finance business community, with the obvious additional positive impacts of accelerating the transition to a net-zero economy locally and internationally.