

Ministerial Offices | Government of Jersey | Union Street
Jersey | St Helier | JE2 3DN

By email

11th February 2026

Dear Chair,

Public Review Hearing – Ferry Service

Thank you for your letter of 4th February, in which you ask a number of follow-up questions which the Panel were unable to ask during our recent Public Hearing. I have set out updates to each of these below:

Service Levels and contractual obligations

- 1. Could you provide an update on DFDS's proposed Frequent Traveller Scheme and indicate when it is expected to be implemented?*

From March this year, following the end of the "Early Bird" booking offer, the Government understands that DFDS will bring forward an islander discount for all Jersey residents.

This will be applied at the point of booking. Furthermore, it will be available to everyone and will not require paid-for membership to any scheme.

DFDS is also developing a universal loyalty scheme which will be available across its global network in the future.

- 2. With the benefit of operational experience, can you advise whether there are any areas that were not fully anticipated or covered in the Agreement?*

I have always been realistic about the near-term challenge of changing ferry operator, especially so given the short mobilisation period that DFDS were given. Standing up a permanent service is markedly different to the step-in contingency arrangement that DFDS previously provided for both Channel Islands.

DFDS has chartered new vessels, re-flagged existing vessels to the United Kingdom flag, employed new staff (including many joining from Condor), engaged new stevedores at Portsmouth, secured additional slots at Portsmouth and St Malo, taken on new freight customers, trained staff shore-side and on-board, achieving Pilotage Exemption Certificates for ports on the new network, established new island suppliers for on-board produce and many other actions within that mobilisation period.

The concession agreement is comprehensive and marks a step-change from the legacy operating

agreement that lacked options for mandatory provision of information, escalation and enforcement when it really mattered.

3. *Minister within the Concession Agreement reference is made to Schedule 7 - Marketing and sales strategy for Jersey and specifically promotional activity targeted at residential Islanders. Could you expand upon this for the Panel regarding your expectations relating to Marketing in France and the UK?*

My response to question 1 sets out specific elements for island residents.

Schedule 7 of the Concession Agreement sets out a comprehensive programme of marketing and sales initiatives, It is my expectation – and a contractual commitment that DFDS will deliver against these.

4. *What is the current rate of cancellations, and what measures are in place to reduce these?*

[Cancellations and delays](#) are in the public domain, published on a quarterly basis and therefore available for review by the Panel and any other interested parties, this being a further new and positive development with our new operator.

Contextually, one should recall that St Helier harbour is exposed to strong south-westerly and westerly winds. There are also other factors such as tidal height and range which can make berthing unsafe even when wind speeds are below 30 knots.

Jersey has the benefit of a dedicated harbour tug vessel which is available 365 days a year 24/7 and is typically utilised when wind speeds exceed 30 knots. When wind speeds exceed 35 knots, berthing is generally not considered safe, even with tug assistance.

- a. *Minister, how do you monitor weather related sailing cancellations to confirm they are justified?*

[Cancellations and delays](#) are in the public domain and are published on a quarterly basis. The mechanism for monitoring cancellations and delays, including qualifying criteria for such, are all clearly set out in the Concession Agreement, a copy of which is held by your Panel.

DFDS are required to send a cancellation notice to the Harbourmaster for any cancellation, allowing him to take into consideration the prevailing weather conditions at the time when determining whether or not the cancellation is justified.

Weather is regarded as a Force Majeure Event and the data is cross referenced with Ports of Jersey to assess the rationale for the decision. To date, all sailing cancellations have been justifiable decisions.

5. *Can you advise the Panel what role if any does Government or Ports of Jersey play in supporting DFDS access to French and UK ports?*

DFDS, Ports of Jersey, and Government liaise closely day-to-day and formally through the main Monitoring Committee and Operational Subcommittee. DFDS lead their own commercial negotiations with port authorities in the UK and France but Government of Jersey and Ports of Jersey are always on hand to support DFDS with engagement with relevant authorities if this is required.

Our sea routes are economic contributors to Jersey and to the other ports and cities within the route network and I am pleased to report positive relationships and constructive dialogues across the board.

- a. Minister, if ramp access and docking at St Malo continue to pose challenges, is there an alternative French port that might be considered as viable options?*

The renovations at the port of St Malo have temporarily reduced the number of available ramps with both DFDS and Brittany Ferries having to operate from a single ramp. There has been no need for contemplation of an alternative port of call in France.

During negotiations with the port authorities for 2026, DFDS has been successful in securing a 7:30am departure slot meaning this will be the first to depart the harbour each morning and will also be able to berth overnight within the harbour. This is an excellent outcome for Jersey and I understand that the decision has been made fairly and objectively by port authorities: a decision I very much welcome.

- 6. Minister, what contingency arrangements are in place to secure the delivery of essential food and medical supplies if ferry crossings are cancelled due to adverse weather or technical issues?*

The current fleet configuration provides a dedicated RoRo vessel (minimum of 6 arrivals per week) and a dedicated RoPax vessel (minimum of 5 arrivals per week) arriving in the morning and evening respectively. This is a marginally higher minimum contractual commitment than that placed upon Condor in the previous operating agreement and where the needs of both islands were served. This weekly cycle provides capacity for up to 15,000 lane metres of freight per week, well in excess of current demand and providing significant resilience for catch-up post-delay or cancellation.

DFDS currently has access to further vessels including the MV Arrow, MV Cote d'Albatre and MV Seven Sisters, all operating in regional waters. Finally, DFDS has an extensive fleet of larger vessels that are not ideally suited to everyday use but can be deployed as emergency cover.

- a. How effective has contingency planning been in practice, and what changes are being considered?*

Jersey has clearly identified adequate resilience for our freight requirements but this does not – and cannot - remove the need for importers to have robust business continuity plans in place for periods of supply disruption. In this vein, it is also important to recognise that short-dated food items depend upon 'just-in-time' supply chains and the absence of preferred chilled items from supermarket shelves does not present a resilience crisis.

Government of Jersey resilience planning considers supply chain dependencies for essential food

products, fuel, chemicals and pharmaceuticals and this is managed through existing emergency and resilience planning processes.

The Panel will recall the need for Government of Jersey to enter contingency charter arrangements for vessels from December 2023 to March 2025 when a clear and present risk to Condor's survivability was presented – and never satisfactorily allayed– by their management and shareholders. A financially resilient ferry operator and Jersey route network is a major step forward in contingency assurance but this does , of course, come at a cost just as insurance cover requires a premium to be paid.

Vessel Investment

7. *Within the Concession Agreement, reference is made to the Vessel Investment Plan. Could you advise the Panel on the mechanisms in place to monitor this plan to ensure that the required vessels are delivered as set out in the agreement?*

The Monitoring Committee has oversight of the Vessel Investment Plan supported by the work of the Investment & Infrastructure Sub-Committee for detailed oversight and delivery planning.

8. *Are there any circumstances under which DFDS would not be required to proceed with the Vessel Investment Plan for example, if particular routes became less commercially viable or general finances of DFDS are insufficient?*

The Concession Agreement clearly sets this out and I have elaborated upon those points in previous Panel hearings.

DFDS was selected as successful bidder in the Jersey-only tender process because of their financial resilience and the proposal for a contract structure that could deliver the necessary fleet investment over the life of the Concession Agreement. The Vessel Investment Plan is, of course, contingent on the overall commercial viability of the Jersey route network.

- a. *If so, what solutions will be put in place to ensure the Island has vessels still fit for purpose?*

The Concession Agreement contains levers, outside of any investment deferrals, available to both parties, that can keep the build plans on track. These levers might include pricing or schedule adjustments but their application would be relative to a given scenario.

9. *The Panel has been advised through submissions that it is increasingly difficult — and in some cases impossible — to book a cabin when travelling from Jersey to the UK. Publicly available reports indicate that the Stena Vinga is equipped with 40 cabins. In your view, is this number sufficient for an eight-hour crossing? What assessments are undertaken to determine whether the level of cabin provision meets demand?*

High demand periods can lead to disappointment of travellers as their preferred amenities are already sold-out. This is consistent across the travel industry, and it is not commercially viable to over-specify vessels just to meet occasional demand peaks.

The number of available cabins is not a specific requirement of the Concession Agreement, and the Panel should observe the very small number of suitable vessels available globally for the nuances of Jersey route operations.

Over Christmas 2025, Government engaged DFDS on this question following one or two passenger queries. DFDS and the Stena Vinga can make certain adjustments to booking capacity at very busy times.

10. What risk assessments have been carried out in case of the scenario that DFDS not fund new vessels?

There is a clear contractual commitment through the Vessel Investment Plan and associated contractual terms. There are escalatory steps within the contract in the event of non-performance by either contractual counterparty.

Pricing Commitments

11. In a [submission](#) to the Panel, Jersey Dairy state that their charges will increase by 7.7% as from 1st February, noting that the 7.7% is made up of a blended RPI of 3.9% as per the DFDS contract agreement with SoJ, plus Trailer Port Charges. Are you able to advise about the 7.7% increase and what impact that would have on the local economy?

DFDS will be passing the port charges applied at Portsmouth and St Helier to their freight customers. This is an increased cost to importers and exporters and is the cost of financially sustainable ferry services.

For the first time, the new Concession Agreement delivers fixed and transparent future price increases, being the blended RPI figure. This protects freight users from future unexpected or above inflation price increases.

12. The Jersey Farmers Union also stated “Unfortunately, it has ended up as £50.00 per metre, plus Port Charges, plus harbour dues. With inflation sitting around 3.8% in the UK and 4.0% RPI(X) in Jersey, this should have been the limit to increased shipping costs for 2026. However, hauliers are having to increase rates to in excess of 7.5% as a result of these additional charges that were unexpected.” Is this your understanding regarding charges?

As stated earlier, the overall financial performance of the Jersey routes must be profitable and driving the requisite level of return to fund future investment in vessels and services.

Potato exporters have made it clear to Government that they are happy with the service provided by DFDS and this was confirmed in a recent statement to the media. Potato exporters also benefit from a commodity rate for their exports.

13. The Panel has received submissions indicating that the unexpected application of port dues is contributing significantly to increased prices.

a. Could you provide a detailed explanation of the port dues in question?

Charges are levied by Portsmouth International Port (per trailer) and the Ports of Jersey (per trailer and also by weight).

b. Are these charges levied by Ports of Jersey upon users of the port facilities?

See a) above.

c. Was the oversight regarding the non-payment of these charges identified by Ports of Jersey?

No – Ports of Jersey has always levied those charges but Condor's payment was not always reliable, particularly given their significant financial challenges, this often led to delays in the charge being paid.

14. Minister, the Panel has received submissions concerning fuel surcharges applied to freight. Could you explain what these surcharges consist of? Is this a surcharge charged by DFDS?

It is typical across the ferry market for surcharges to be applied for fuel, often described as 'Bunker Adjustment Factor'. As fuel surcharge was also levied by Condor under the previous operating agreement. DFDS clearly publish this surcharge on their website and it features within their standard terms of business for freight.

Similar surcharges were to be continued by the unsuccessful bidder for the Jersey concession agreement.

15. Minister, the Panel notes within the Concession Agreement reference to Pricing Reporting (Page 59) whereby the Operator must submit to the Island Authority data on pricing. In practical terms, how is this information reported to you? And would it be possible for these data to be made publicly available?

DFDS' freight rates are available in the public domain. They are also the subject of reports to the Monitoring Committee.

DFDS' passenger pricing is also reported quarterly to the Monitoring Committee. As the Panel will observe, the Concession Agreement sets a Minimum, Maximum and Mean Average Fare for a wide range of passenger and vehicle combinations, all of which are reported. This provides high transparency to the Government of Jersey and the Harbour Master as the contractual counterparties to DFDS.

This data is commercially sensitive and provided by DFDS in confidence for the specific purpose of contract monitoring: it will not be made publicly available.

16. Minister, do you consider the supply chain from the point of arrival into Jersey by ferry through to the placement of products on retail shelves to be both cost-effective and transparent?

As Jersey's ferry route network does not carry sufficient volume to attract or support sustainable competition, a competitive environment for the provision of ferry services is created periodically through competitive tender for the ferry services. This was successfully concluded in late 2025 following rigorous assessment across a broad range of qualitative and quantitative factors and leading to the appointment of DFDS under a new long-term Concession Agreement.

The Concession Agreement and associated pricing is transparent and represents value for money, a different adjective to simply being cheap. Different stakeholders will perceive value for money or cost-effectiveness at different price points and sometimes with a failure or limit to the correct pricing of risk.

There is however no public transparency on pricing within the freight forwarding sector which does make it difficult to determine the range of actual prices paid by retailers and by end users. Whereas all Islanders can clearly see the cost of shipping a product on DFDS via the published rate card, the additional costs applied by the freight forwarder are opaque.

The findings of the 2022 Freight Logistics Study commissioned by the Jersey Competition Regulatory Authority highlight that competition in the freight logistics market could be more effective and set out further analysis and some recommendations. Government has acted on these findings and made a commitment over a year ago in the Ports Policy Framework to encourage greater competition in this sector.

17. Is it possible within the Concession Agreement that the flat-rate freight fee be removed? If not, why not?

There are many possibilities within the Concession Agreement. Deviation away from a flat rate for freight arrangement is less of a consideration for the Concession Agreement and one for evaluation as to whether this would be in the best long-term interests of competition and pricing for end users across the whole economy i.e. consumers.

Inter-Island Connectivity

18. How would you describe Jersey's current working relationship with Guernsey on ferry and connectivity matters?

Inter-island frictions are well-documented yet there remains limited understanding that the Government of Jersey could not safely appoint either bidder (Condor Ferries or DFDS) from the joint-Channel Islands tender process. States of Guernsey, on the other hand, considered that Condor Ferries was appointable despite clear financial concerns highlighted during the tender process. This left no alternative for the Government of Jersey other than to run a Jersey-only process open to both bidders and run a fresh, independent, evaluation of the bids that followed.

Brittany Ferries has provided a weekly inter-island rotation since it began its exclusive relationship with Guernsey in 2025 although it remains unclear – as the Guernsey concession agreement is not in the public domain – whether this is a contractual commitment or not.

The lack of contractual obligation on DFDS to provide inter-island connectivity has been a challenge but DFDS has approached the question constructively and has presented a plan for inter-island connectivity using the Stena Vinga vessel. I hope this will receive fair and objective consideration from the Guernsey authorities

However, this question is not limited to maritime matters. Whereas I understand Guernsey's shock at Blue Islands' liquidation, their decision to apply air route licence requirements to the Jersey – Guernsey route thereafter, and to deny Loganair a licence, has presented Jersey with further challenges. Guernsey's assertion that Aurigny will provide enough capacity with just two flights per

day implies that there is sufficient total passenger capacity across air and sea links, especially among passenger-only providers.

- a. Could you provide the Panel with further information about the working group that is in place, who is a member of the working group and what are the benefits you hope it delivers?*

If the panel is referring to States of Guernsey's Inter-Island Working Group, the Government of Jersey is awaiting an invitation to the next meeting of the group. DFDS joined the group later, at their own request.

- b. When are the working groups meeting? Is this on a quarterly basis?*

This information is not held by Government for the above reason.

- c. What is the anticipated timetable for confirming an interim or long- term solution for interisland travel, given the concerns raised?*

DFDS confirmed their indicative proposals for inter-island sailings during the week commencing 2nd February 2026. At our request, DFDS continues to discuss with the States of Guernsey the use of the Stena Vinga to drop off inter-island passengers in Guernsey before sailing on to Portsmouth. The Stena Vinga would then pick-up passengers in Guernsey only, on an inbound sailing days later, to complete an inter-island rotation.

Whereas it is not yet fully confirmed, the current plan would be for the outbound sailing on Fridays and the inbounds sailings Monday. Officers are working closely with DFDS to mobilise the operation. Whereas I hope this is done as quickly as possible, I cannot be specific with exact dates at this point, particularly as approval is required from the States of Guernsey.

Transportation of pets and animals

- 19. Minister, the Panel has received numerous submissions regarding limited cabin availability and the resulting impact on those travelling with dogs. Could you outline DFDS's current pet policy and advise whether you consider it satisfactory?*

DFDS provides a good choice of pet transport for customers – it is important that options available to customers travelling with pets is humane, fair, and lawful.

- 20. The Panel has been informed through submissions that DFDS applies a maximum limit on the number of dogs permitted on its ferries. Could you confirm what that limit is and explain the rationale behind it?*

This is not defined in the Concession Agreement, nor do I believe it needs to be. Any upper limits are a matter for the Operator, guided by relevant maritime and animal welfare laws.

- 21. Do you consider the current provision for transporting pets and animals to be sufficient?*

This question will always be relative to those who travel with domestic animals and those who do not. Broadly, I am satisfied with the provision and can see that DFDS is listening to its customers and responding appropriately to needs where it is feasible to do so.

It is worth noting customers can travel with pets at no extra cost than a regular car passenger despite having bespoke areas dedicated to them on board and I note that DFDS has received significant praise for its pet service.

22. Looking ahead, what improvements would you like to see in the arrangements for transporting pets and animals?

The Government does not have strong views on exact provisions and specifications. It is important that the Operator is seen to listen. For example, DFDS's engagement with the Kennel Club has informed how their service offer has evolved since beginning operations almost a year ago. DFDS is also working to optimise how horse transport can be arranged on its sailings. There should now be clearer signposting on DFDS's website.

Accessibility

23. Minister, could you clarify what the concession agreement sets out in relation to accessibility?

The Concession Agreement requires that DFDS complies with all local legislation.

24. How frequently are accessibility audits carried out on the vessels and port facilities, and are the outcomes shared with the Government?

This is a matter for DFDS under respective Jersey, UK, and French laws. I am pleased to note that the DFDS Route Director has engaged with Jersey's Disability & Inclusion Advisory Group.

25. Minister, as you will be aware, there have been incidents concerning accessibility.

- a. Could you explain to the Panel how you feel DFDS has handled these situations?*
- b. Have any complaints or feedback been received specifically relating to accessibility on DFDS services, and what actions have been taken in response?*

DFDS experienced initial difficulty with the lift on board their Levante Jet vessel. Whilst replacement parts were ordered and installation arranged it was right that the vessel continued to operate the routes and that DFDS made alternative arrangements for passengers impacted by this technical defect.

I am aware of instances when passengers with additional needs were not supported appropriately, and I was concerned to receive those reports. DFDS clearly understand the priority that I place upon an inclusive and accessible service and I made clear to DFDS that immediate and appropriate remedies needed to be put in place both structurally and to affected customers.

26. In relation to the new vessels, what will you do to ensure that accessibility be a key consideration in their design and operation?

DFDS will consult with a broad range of stakeholders in the design and build of replacement vessels and the full range of service users will be a critical part of this process. The Investment and Infrastructure Subcommittee will be an appropriate forum to ensure specifications meet legal

requirements and that widespread consultation and engagement take place, particularly with regard to accessibility.

I hope the above provides clarity to the areas raised by the Panel.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'K. Morel', written in a cursive style.

Deputy Kirsten Morel
Minister for Sustainable Economic Development