

15th January, 2026

Deputy Monfort Tadier
Chair, Economic and International Affairs Scrutiny Panel
FAO – Rosalyn Sharp, States Greffe: Scrutiny
Morier House, St Helier, JE1 1DD

BY EMAIL

Dear Deputy Tadier,

Response to Ferry Service: Concession Agreement Review

Thank you for your letter of 16th December 2025 and for inviting the Jersey Hospitality Association to contribute to the Panel's review of the DFDS-operated Ferry Service and the associated Concession Agreement.

As the recognised trade association representing over 300 visitor-economy businesses across Jersey, the Jersey Hospitality Association is keen to engage constructively with this review. However, we believe it is important to clarify at the outset the basis on which we are responding.

The specific questions outlined in your correspondence invite views, opinions and experiences which, across an industry of this size and diversity, vary sometimes significantly between businesses, sectors and business models. As such, it would not be appropriate or accurate for the Association to submit a point-by-point response that could be interpreted as a single, unified industry view where one does not exist.

For this reason, and consistent with how we have engaged with Scrutiny Panels previously, we believe an in-person evidence session would be the most effective and transparent way to explore these matters. This would allow us to provide context, explain areas of consensus and divergence within the industry, and answer questions without oversimplifying complex commercial realities.

At a high level, the Association's position is as follows. While the tender process is now concluded and the industry has moved on operationally, the process highlighted a fundamental issue, the design and delivery of a critical piece of infrastructure policy without meaningful early-stage consultation with the private sector industries most directly affected including the visitor economy, agriculture, and retail.

The tender was largely framed through a supply-chain and resilience perspective, with insufficient consideration given to the visitor economy and broader quality-of-life impacts for islanders. Given the importance of tourism to Jersey's economy, this imbalance had predictable consequences during the transition period.

Elements of the process that entered the public domain raised concerns across the business community, particularly around transparency, accountability and clarity of decision-making. These issues affected confidence at a time when stability and collaboration were critical.

It is also important to clarify governance as while public attention has often focused on the Minister for Sustainable Economic Development, our understanding based on engagement during the process, is that decisions were taken collectively by the Council of Ministers, with material intervention occurring towards the latter stages. Responsibility for outcomes must therefore be understood in that collective context.

The Association wishes to place on record that it maintains a strong, professional and constructive working relationship with the Minister for Sustainable Economic Development, who consistently demonstrates a clear understanding of the visitor economy and the practical realities faced by businesses. However, the absence of consistent alignment and support across Government has, at times, undermined the effectiveness of policy delivery and exposed a wider gap in commercial understanding.

With respect to flat rate costs, it is important to avoid oversimplification. Industry has experienced increases in excess of 200% in pallet-related costs over recent years. These increases cannot be attributed to any single mechanism. Rather, they reflect the cumulative impact of multiple cost drivers, many of which sit within Government's control or influence including fuel duty, minimum wage policy, regulatory and administrative requirements, and broader compliance burdens imposed throughout the supply chain. If Government's objective is to moderate inflationary pressure and cost-of-living impacts, it is important that these levers are considered holistically rather than focusing on individual pricing structures in isolation.

The transition between ferry operators also exposed a lack of understanding of existing commercial relationships that underpinned parts of the visitor economy, particularly shoulder-season group travel. The sudden loss of established routes to market resulted in significant disruption that could have been mitigated through earlier collaboration and planning. In response, the Jersey Hospitality Association focused on urgent practical mitigation and recovery. Following the appointment of DFDS, we worked closely with DFDS to facilitate direct engagement with industry, support any possible early-season recovery, and help establish collaborative marketing with Visit Jersey and route development initiatives.

The Association now has a strong and constructive relationship with senior DFDS management, supported by regular industry feedback. This engagement has contributed positively to stabilising confidence and improving forward bookings. While some businesses must also take responsibility for their own commercial resilience, the experience underlined the necessity and value of early, structured collaboration between Government, operators and industry. The consequences have been suffered by the private sector.

Looking ahead, the Association is focused on growth and opportunity. Initiatives such as DFDS Holidays, new distribution partnerships, and further development of south-bound freight capacity represent tangible opportunities for the Island, benefiting residents, businesses and visitors alike.

However, realising this potential will depend on Government ensuring that regulatory and policy frameworks support, rather than constrain, commercial activity. As one example, overly rigid food labelling requirements risk reducing product choice and increasing costs without delivering meaningful consumer benefit, particularly where robust EU allergen standards are already in place.

In summary, while the tender process itself presented serious challenges, the industry is now in a more stable position due to collaboration, engagement and practical problem-solving. The lessons from this experience are important, and we believe they are best explored through direct dialogue rather than a simplified written submission.

We would therefore respectfully request an in-person evidence session with the Panel and would be happy to make ourselves available at your convenience.

Yours sincerely,

Ana and Marcus Calvani
Co-Chief Executive Officers
Jersey Hospitality Association