

STATES OF JERSEY



PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024): TWENTY- FOURTH AMENDMENT (P.51/2024 AMD.(24)) – AMENDMENT

AGRICULTURAL LOAN RESTRICTION

Lodged au Greffe on 18th November 2024
by Deputy H.L. Jeune of St. John, St. Lawrence and Trinity
Earliest date for debate: 26th November 2024

STATES GREFFE

PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024):
TWENTY-FOURTH AMENDMENT (P.51/2024 AMD.(24)) –
AMENDMENT

1 PAGE 2, PARAGRAPH 1 –

After the words “cannabis in Jersey” insert the words “, that will be used in cannabis-based products for medicinal use”.

2 PAGE 2, PARAGRAPH 2 –

After the words “cannabis in Jersey” insert the words “, that will be used in cannabis-based products for medicinal use”.

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

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

1 PAGE 2, PARAGRAPH (e) –

After the words “identified before 31st December 2025” insert the words –

“, subject also to restrictions on the provision of Agricultural Loans to exclude provision of such loans for any purposes relating to the cultivation of cannabis in Jersey, that will be used in cannabis-based products for medicinal use”.

2 PAGE 4, PARAGRAPH (o) –

After the words “as set out in the Appendix to the accompanying Report” insert the words –

“, except that that on page 75, after the bullet points, there should be inserted a new paragraph as follows –

“The utilisation of funds from the Agricultural Loans Fund will be subject to restrictions and exclude the provision of such Loans for any purposes relating to the cultivation of cannabis in Jersey, that will be used in cannabis-based products for medicinal use”.

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

THE STATES are asked to decide whether they are of opinion –

to receive the Government Plan 2025 – 2028 (entitled “Budget 2025-2028”) specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (“the Law”) and specifically –

- (a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2025 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law.
- (b) to approve the proposed Changes to Approval for financing/borrowing for 2025, as shown in Appendix 2 – Summary Table 2 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approval amounts.
- (c) to approve the transfers from one States fund to another for 2025 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law.
- (d) to approve a transfer from the Consolidated Fund to the Stabilisation Fund in 2025 of up to £25 million, subject to a decision of the Minister for Treasury and Resources based on the availability of funds in the Consolidated Fund as at 31st December 2024 in excess of the estimates provided in this plan, or from budgeted underspends identified before 31st December 2025.
- (e) to approve a transfer from the Consolidated Fund to the Agricultural Loans Fund in 2025 of up to £2 million, subject to a decision of the Minister for Treasury and Resources based on availability of funds in the Consolidated Fund as at 31st December 2024 in excess of estimates provided in this plan, or from budgeted underspends identified before 31st December 2025, subject also to restrictions on the provision of Agricultural Loans to exclude provision of such loans for any purposes relating to the cultivation of cannabis in Jersey, that will be used in cannabis-based products for medicinal use.
- (f) to approve each major project that is to be started or continued in 2025 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 4 to the Report.
- (g) to approve the proposed amount to be appropriated from the Consolidated Fund for 2025, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report.
- (h) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2025 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 6 to the Report.
- (i) to approve the proposed amount to be appropriated from each States trading operation’s trading fund for 2025 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 7 to the Report.

(j) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2025 as set out in Appendix 2 – Summary Table 8 to the Report.

(k) to approve an updated and consolidated policy of the Strategic Reserve Fund as follows:

“The Strategic Reserve Fund, established in accordance with the provisions of Article 4 of the Public Finances (Jersey) Law 2005, is a permanent reserve only to be used:

- i. in exceptional circumstances to insulate the Island’s economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.
- ii. if necessary, for the purposes of providing funding (up to £100 million) for the Bank Depositors Compensation Scheme established under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009, including to meet the States contribution to the Scheme and/or to meet any temporary cash flow funding requirements of the Scheme.
- iii. to support the development of future healthcare facilities and the borrowing costs for such work, in line with a financing strategy agreed by the Assembly;
- iv. as a holding fund for any or all monies raised through external financing until required, and for any monies related to the repayment of debt raised through external financing used to offset the repayment of debt, as and when required; and
- v. in accordance with Article 24 of the Public Finances (Jersey) Law 2019, where the Minister for Treasury and Resources is satisfied that there exists an immediate threat to the health or safety of any of the inhabitants of Jersey, to the stability of the economy in Jersey or to the environment, for which no other suitable funding is available.”

(l) to approve the transfer to the Strategic Reserve of the amounts due as a result of the move from prior-year basis taxation after 31st December 2025, as and when these payments are received (estimated at £280 million).

(m) in relation to the new Government Headquarters (office), to approve;

- i. the exercising of the option to acquire the new Government Headquarters (estimated at £91 million), by the Public of the Island, in line with the pre-agreed terms; and
- ii. the acquisition of the new Government Headquarters as an investment of the Social Security (Reserve) Fund (including authorising the meeting of expenses incurred in connection with the acquisition); and
- iii. the subsequent leasing of the new Government Headquarters by the Public of the Island from the Social Security (Reserve) Fund, with commercial terms to be agreed between the Minister for Infrastructure (on behalf of the Public) and Minister for Social Security and the Minister for Treasury and Resources (both on behalf of the Fund); and

(n) in relation to the new Government Headquarters, to authorise H.M. Attorney General, the Greffier of the States, the Ministers for Infrastructure, Social Security and Treasury and Resources, and the Public of the Island, to enter into such arrangements, including financing, and pass any contracts as are necessary to put into effect paragraph (m).

(o) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2025-2028, as set out in the Appendix to the accompanying Report, except that that on page 75, after the bullet points, there should be inserted a new paragraph as follows –

“The utilisation of funds from the Agricultural Loans Fund will be subject to restrictions and exclude the provision of such Loans for any purposes relating to the cultivation of cannabis in Jersey, that will be used in cannabis-based products for medicinal use”.

REPORT

The 24th Amendment as originally proposed does not make a distinction between the cultivation of cannabis for medicinal purposes and the cultivation of industrial hemp (defined in the [Misuse of Drugs \(Licence Fees\) \(Jersey\) Order 2020](#) as cannabis that contains less than 0.2% THC), which this Amendment rectifies.

This distinction is also usefully defined within the NHS guidance for Cannabis-based products for medicinal use (“CBPM”) –

“CBPM do not include raw/unrefined cannabis or cannabis/hemp oil products that can be purchased online/in health food shops. These products are not produced for medicinal use and cannot be recommended or prescribed.”

The environmental potential of hemp cultivation was identified by Government in the report on [Carbon sequestration and the role of soil and crops](#) published in October 2020.

"One hectare of industrial hemp can absorb 22 tonnes of CO2 per hectare. It is possible to grow 2 crops per year so absorption can be doubled. Hemp's rapid growth (grows to 4 metres in 100 days) makes it one of the fastest CO2-to-biomass conversion tools available, more efficient than agroforestry."

*[The Role of Industrial Hemp in Carbon Farming](#)
GoodEarth Resources, Parliament of Australia.*

Hemp is also "versatile in extracting many different kinds of chemicals from the soil", [including PFOS/PFAS](#).

The use of hemp for regenerative agriculture, phytoremediation and carbon sequestration was previously promoted in the Island by [The Carbon Farm](#) prior to the demise of Jersey Hemp.

Given the Island’s long history of hemp cultivation, the known benefits to the environment and the many potential by-products of industrial hemp, the exclusion of hemp cultivation from the Agricultural Loans scheme would be detrimental to Jersey’s traditional agricultural sector.

Financial and staffing implications

There are no further financial or staffing implications identified in relation to this Amendment.

Children’s Rights Impact Assessment

A Children’s Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.