

3 October 2024

Deputy Hilary Jeune
Chair
Environment, Housing and Infrastructure Panel
Scrutiny Office
States Greffe, Morier House,
St. Helier, Jersey. JE1 1DD

By email

Dear Hilary

Ports of Jersey – Progress on Carbon Tax or Charge Relating to Private Aircraft Operations

Thank you for your letter dated 15 August requesting an update on progress made on the above.

Policy Framework for the Ports Sector:

In 2023, Government of Jersey developed [a Policy Framework for the Ports Sector](#), which was published in January 2024.

Sustainability is defined as one of the eight strategic priorities contained in the policy framework seeking to ensure that the sector is sustainable in respect to our economy, environment and our community. The policy framework aligns the sustainability targets of the Ports sector within Jersey's Carbon Neutral Roadmap, as well as international industry standards, treaties and legislation.

Specifically, the policy position in the framework confirms:

- “Government commits to delivering the Carbon Neutral Roadmap as part of this policy framework.
- The Ports Sector must play its part to ensure Jersey reaches net-zero. To do so the sector should invest in collaborative and innovative processes, technologies and infrastructure.
- Ports of Jersey should explore using tariff structures, to support the transition to cleaner technologies for ferry and aviation services.”

Ports of Jersey fully embraces the sustainability challenge and the requirement to decarbonise Jersey's transport links, without undermining the critical role connectivity plays for islanders and our economy. Ports of Jersey's sustainability strategy is captured in our “Ports Planet and People Plan”, setting out ambitious goals including net zero airport and harbour operations by the end of 2029.

In response to the [2023 Government plan amendment](#), and aligned to the Ports Policy Framework, Ports of Jersey has worked collaboratively with key stakeholders (including Ministers, states assembly members, Government of Jersey officials, local business aviation and charter management companies) to explore the best way for Ports of Jersey to use its tariff structures to support the decarbonisation of airport operations.

Introduction of a sustainability charge on Private Aviation

Following completion of the review with the key stakeholders, Ports of Jersey intends to introduce a tiered decarbonisation charge for Private Aviation. The charge will incentivise sustainable behaviours and provide essential funding to support the implementation of the policy goals contained in the Ports Policy Framework (relating to sustainability).

Importantly, the charge will be non-profit generating and ring-fenced solely for initiatives that support the transition to net zero of Ports of Jersey and Jersey's aviation sector. All funding will be transparently reported and spent within the year. Initiatives will include, but not be limited to:

- Decarbonising the Ports of Jersey estate and meeting net-zero targets e.g. switching heating to HVO, and then heat pumps and electric, and running diesel vehicles on HVO (projected to cost more than £200,000 per annum at Jersey Airport and providing a material reduction in carbon emissions).
- Supporting the decarbonisation of ground equipment e.g. electric pushback tugs
- Infrastructure for sustainable landside transport for passengers and employees e.g. EV chargers, cycling facilities
- On-site renewable energy generation

Once Ports' operations are fully decarbonised, this funding will be put towards investment in sustainable infrastructure to support our business partners and customers to decarbonise, for example, infrastructure for electric ferries and next generation renewable fuel for aviation.

For context, decarbonising the Ports estate, to reach net zero operations (scope 1 and 2), is projected to cost around £5 million.

Ports of Jersey will develop the charge to fall within our regulated pricing framework, with an anticipated implementation date in the first quarter of 2025 (subject to JCRA approval).

The sustainability charge has been carefully developed to avoid undermining any of the other priorities within the policy framework. It is important to note therefore that the following areas will be exempt from the sustainability charge:

- Commercial airline aviation
- Medical evacuation flights
- Search and rescue aircraft
- Aircraft under 3 tonnes

Ports of Jersey has presented the proposed charge to officials within the Treasury and Policy teams, as well as the Minister for the Environment.

The information in this letter has also been provided to the Economic and International Affairs Panel in response to its review of the Proposed Budget 2025-2028.

We would be happy to meet with the Panel to discuss this letter and provide additional information as necessary.

Best wishes,



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