

3.8 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter of the Minister for Treasury and Resources regarding communication with Blue Islands concerning their performance under the Covid-19 loan agreement (OQ.126/2025):

Will the Minister advise what communication, if any, she has had with Blue Islands regarding their performance under the loan agreement that was reached during Covid-19; and if no communication has been had, does she plan to approach them?

Deputy M.E. Millar of St. John, St. Lawrence and Trinity (The Minister for Treasury and Resources):

Since the loan was granted, a representative from Treasury and the C.E.O. (chief executive officer) of Ports of Jersey have attended all Blue Islands board meetings as observers. This observer status provides access to all board papers and reports, enabling close monitoring of the Airline's performance against the base-case model and its broader commercial activity. The Treasury and investment management team is responsible for ongoing oversight of the loan agreement. While I have not personally attended meetings with Blue Islands, I am kept informed through regular updates from the Treasury representative. As Minister, I must emphasise that the loan issued to Blue Islands is commercially sensitive. Any discussions held with the Airline in relation to this loan are subject to that same commercial sensitivity. While we are not in a position to discuss the specifics of the loan publicly, I would like to reassure Members and the public that we are committed to undertaking appropriate oversight. We will be happy to share further information with the relevant Scrutiny Panel shortly. As Minister for Treasury and Resources, my primary interest in the matter is to ensure that the loan extended to Blue Islands during the COVID pandemic is repaid in full.

3.8.1 Deputy K.L. Moore:

Does the Minister consider that the performance is acceptable under the terms of the agreement?

Deputy M.E. Millar:

Yes. In light of the discussions that we have had with Blue Islands over that time, yes, it is.

3.8.2 Deputy J. Renouf of St. Brelade:

Blue Islands seems to be struggling a bit at the moment with running it as a service. Is the Minister concerned that the loan might become a bad loan?

Deputy M.E. Millar:

As I said, matters relating to the loan are commercially sensitive and I am not prepared to discuss that in public.

3.8.3 Deputy J. Renouf:

Would the Minister consider giving further loans or further grants to Blue Islands in order to sustain the service in the future?

Deputy M.E. Millar:

That depends very much on circumstances. I do not believe that we have been approached for further loans or grants.

3.8.4 Deputy M. Tadier of St. Brelade:

Stop me if this is too far from the original question, but will the Minister clarify whether there would be any public interest to avoid such situations in the future as to whether airlines that operate to and from Jersey, which receive a government grant ...

The Bailiff:

I think that I can stop you. This relates specifically to communications with Blue Island. I do not think that we can extend beyond that.

Deputy M. Tadier:

Understood. Thank you.

3.8.5 Connétable M.K. Jackson of St. Brelade:

Would the Minister confirm that Blue Islands is bringing in chartered aircraft to cover their own aircraft, which have gone tech - for want of a better word - to satisfy the need for the public transport obligations as in the original agreement?

Deputy M.E. Millar:

That does not relate to the matter of the loan. I believe that the actual operation sits with the Minister for Sustainable Economic Development and is not within my remit.

The Bailiff:

There is no supplemental question to that, I do not think.

The Connétable of St. Brelade

No, Sir.

3.8.6 Deputy K.L. Moore:

Despite the Minister's suggestion that it is not possible to discuss the requirements of the loan, it was reported in the media in October of last year that one-fifth of the loan - only one-fifth - has been repaid to date and the loan repayment period has been extended to 2028. Could the Minister therefore confirm whether any further repayments have been made and whether she is confident that they will continue to be made going forward?

Deputy M.E. Millar:

I can only repeat that it is a matter of commercial sensitivity, and I am not going to discuss that here. I will provide a briefing to the Scrutiny Panel in due course.