

19-21 Broad Street | St Helier
Jersey | JE2 4WE

By email

12th April 2023

Dear Chair,

Digital Economy Strategy

Thank you for your letter of the 3rd April, in which you provide a number of questions with regards to the Digital Economy Strategy. I have set out below answers to each of these in turn:

- 1. Is the Organisation for Economic Co-operation and Development definition of digital sector consistent with the New Economy dynamics, driven by technology, referenced in the Economic Council's New Perspectives Report?*

The OECD has given considerable attention to defining the Digital Economy (DE) over recent decades. In its 2020 Report for the G20 Digital Task Force, both a comprehensive definition was proposed as well as a tiered definitional framework to incorporate additional interactions not normally captured as economic activity. According to these definitions, the DE incorporates all economic activity reliant on, or significantly enhanced by the use of digital inputs, including digital technologies, digital infrastructure, digital services and data. It refers to all producers and consumers, including government, that are utilising these digital inputs in their economic activities. The tiers additionally comprise zero priced digital services which are normally excluded from calculations of GDP.

The work of the OECD to produce generally accepted definitions is important in building consensus for, and measuring the success of, strategic initiatives including the Government's upcoming Digital Economy Strategy (DES) and reflects the significance of 'New Economy dynamics' referred to in the Economic Council's report.

- 2. Please outline the work with CYPES that has informed the digital skills strategy to date?*

In February 2022, Skills Jersey, on behalf of CYPES, commissioned an evaluation of Digital Skills delivery across the island's schools. Stakeholder engagement took place throughout the year, and the final version 'Digital Education Strategy' (DES) Report was completed in Q4 and launched to the public in November 2022.

The report included seven key recommendations, linked to a set of actions and deliverables:

- 1. Establishing a Digital Learning Eco-System** – a formal framework for partnership & collaboration.

2. **A 3-year working group** – to agree protocols for school IT support, establish best practice content & shared resources.
3. **An education Lead officer to oversee the DES** – to deliver the vision for innovation in schools.
4. **A baseline standard for hardware/software architecture** – a catalogue for hardware & software orders.
5. **The Young Digital Citizen (YDC)** – a curriculum plan, a scheme of learning which sets out the minimum digital experience for all learners, linking closely to the needs of employers and skills for the future economy.
6. **Digital Inclusion** - greater connection with families and carers.
7. **The Jersey Learning Hub** – a natural ‘home’ for a digital learning portfolio, the gateway for schools & employers to collaborate, share best practice.

The report launch, coincided with a refresh of the wider Digital Skills Strategy 2018-2023, produced by Exeter University for Digital Jersey, and makes strong links to the need for collaborative partnerships between education and industry, in shaping a digital skills curriculum for the future.

In addition, the DES 2022 made reference to two further reports which are included in the links below:

[Digital Education Strategy 2022](#)

[Digital Jersey Digital Skills Strategy 2023-2028](#)

[NASEN independent review of Inclusion 2021](#)

[Children and the Digital World 2022](#)

The DES 2022 implementation plan, beginning with the launch of the 3-Year working group (Rec 2), is being shaped by officers within CYPES and M&D and will be ongoing throughout 2023.

Finally, a wider skills piece is the [FE and Skills Actionable Agenda](#), which has recently been approved at Ministerial level and which will underpin many of the objectives contained in the above listed strategy reports.

3. *Could you explain how the Government of Jersey is showing the community digital leadership and how it plans to improve it?*

As a Government we are working on the forthcoming DES, as well as developing an internal Digital Government Strategy. This hopefully demonstrates the focus and importance Government is putting on the overall digital agenda, including recognizing that it must go through a digital transformation journey of its own. The Digital Government Strategy will look at how services in Government are delivered, maintained, prioritised, and operated, and will provide a clearer focus on the benefit of digital to deliver positive change in organisations. Alongside this, the DES should demonstrate a renewed focus on the digital economy. Key stakeholders in the community will be targeted for focussed consultation on the

developing Strategy during Spring 2023 before a public consultation later in the year, ensuring everyone has the opportunity to contribute to the DES.

4. *Is there a vision regarding working remotely for overseas companies using digital skills? a) How might an increase in local homeworkers employed by overseas employers be expected to impact on economic growth potential?*

Various potential models to enhance job growth and deliver productivity improvements are being considered as part of the DES but no final decisions have been made. This includes models with potential impacts on local homeworking. As part of this consideration, I expect to examine available models of these impacts before deciding between alternatives.

5. *Are changes to the Island's tax model contemplated to respond to the possible increase in local homeworkers employed by overseas employers?*

As above. The tax implications of the DES' priorities will form an important part of my consideration of policy options but no final decisions have been made to date.

6. *How will the Digital Economy Strategy inform and affect the Future Economy Strategy?*

The DES is being developed to closely align with the Future Economy Strategy (FES). Given the key role digital tools and services will have in meeting Jersey's productivity challenge without putting undue strain on the Island's environment, the DES will be a central part of future economic success. As well as creating the right environment for wealth-creating digital business, the DES will set out a range of measures and incentives to improve skills and provide information and incentives to increase the productivity of Islanders through digital adoption.

7. *With respect to Cyber Emergency Response Team should Europe be the Island's benchmark or are more technologically advanced jurisdictions preferable?*

Threats and risks do differ between jurisdictions and the most important consideration is that Jersey's response is proportionate to the threats and risks to the island. Jersey also benefits from our relationship with the UK on national security related cyber threats. The Island Wide Cyber Risk Assessment and Community Risk Register are therefore used to inform the Island's Cyber Security Strategy and to ensure investment in the appropriate capabilities for Jersey. This is supported by benchmarking against the Crown Dependencies, the UK, and the wider global community including Europe.

Benchmarking CERT.JE's capabilities is through engagement with two international associations; the Forum of Incident Response and Security Teams (FIRST) which represents cyber defence bodies in 104 countries globally, and TF-CSIRT which is a European network with members in most European countries as well as representation from EU institutions. Both organisations use the Open CSIRT Foundation's SIM3 model to assess the maturity of cyber defence bodies. Jersey is required to reach a specific score against

this framework for membership and engagement with other countries through these organisations, and therefore this is the most appropriate global benchmark for operational cyber defence capability. Jersey applied for 'listed' status with TF-CSIRT on 23 March 2023 (ref 1) and expects to apply for FIRST membership by the end of 2023. Further development will then be required to reach levels comparable with more advanced jurisdictions such as (for example) the USA, UK, Estonia and Singapore.

However operational cyber defence is only part of the wider cyber capabilities in a jurisdiction, which would include policy and strategy, culture and societal factors, knowledge and capabilities, legal and regulatory frameworks, and standards and technologies (ref 2). There is currently no single standard benchmark for jurisdictional cyber defence capability and formal benchmarks that are currently produced, for example by the International Telecommunications Union (ITU) (ref 3), do not include Jersey. However tools such as the Cybersecurity Capacity Maturity Model for Nations (CMM) provide insights against which Jersey can benchmark capabilities against other nations, both those most similar to Jersey and those with more advanced capabilities.

References

1 [Trusted Introducer : Directory : CERT.JE \(JE\) \(trusted-introducer.org\)](https://www.trusted-introducer.org/)

2 [Assessing National Cybersecurity Capacity | Global Cyber Security Capacity Centre \(ox.ac.uk\)](https://www.ox.ac.uk/global-cyber-security-capacity-centre/)

3 [Global Cybersecurity Index \(itu.int\)](https://www.itu.int/cybersecurity/)

8. *Could you provide definitions and clarification of the terms 'ethical opportunities' and 'data enabled' jurisdictions/environments?*

In the context of the emerging DES, 'ethical opportunities' may refer to ethical businesses (and governments) which are characterised by their consideration of the impacts of their actions, products and services on the environment, people (both customers and employees), and, potentially, animals. Importantly, these considerations should impact behaviour along the whole supply chain(s) of their businesses. Ethics in the workplace on the other hand may refer to specific acts and procedures which impact on employee wellbeing, transparency and accountability. Equally, ethical business practice may refer to policies and procedures on topics like fraud, bribery, discrimination, diversity, and corporate governance.

The DES will be a key step in making Jersey a 'data enabled' jurisdiction. Importantly, it will set out a transparent set of short, medium and longer-term measures to deliver measurable change in the contribution of digital business, skills, products and services to the Island's economy. Achieving this goal will require systemic change to cultural, technical, and organisational 'business as usual' by individuals, government, and businesses of the sort typically associated with 'data enabled' environments.

9. *How does Government inform the Key Performance Indicators of Digital Jersey, to what extent does Digital Jersey advise on these and how will the Digital Economy Strategy impact this process?*

Officers and Ministers provided feedback on Digital Jersey's Operating Plan for 2023 to ensure projects aligned with and supported Ministerial Priorities and, in particular, advised on KPIs to measure outcomes from the work of Digital Jersey.

The relationship with Digital Jersey is a key part of driving government and industry wide adoption of the Digital Economy Strategy. Discussions on the new Partnership Agreement will take into consideration the emerging Digital Economy Strategy to ensure Digital Jersey remain well placed to support Ministerial objectives and the delivery of the Digital Economy Strategy. The current partnership agreement comes to an end 31/12/2023.

10. How will the Digital Economy Strategy impact and be influenced by the 2(1)(e) Policy for High Value Residents and assess barriers to future immigration of capital backed tech founders into the Island?

Consideration is being given to a range of measures to make Jersey an attractive destination for tech entrepreneurs but no decisions have yet been taken about the DES' interaction with policy for high value residents or its impact on immigration.

I hope the above provides clarity to the areas you have raised.

Yours sincerely,

Deputy Alex Curtis

Assistant Minister for Economic Development, Tourism, Sport and Culture

curtisa@gov.je