Empowering growth: Jersey's £30 million investment for local businesses

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The Government of Jersey has announced a multi-million-pound investment in Jersey businesses, aimed at boosting productivity and supporting growth across various sectors.

The Government has unveiled a comprehensive package worth £30 million, including financial support measures, the re-establishment of the Agricultural Loans Fund, and the launch of the Impact Jersey CX Tech Programme.

These initiatives are designed to help businesses invest in their future, enhance customer experiences, and navigate the transition to a higher minimum wage. Applications for these schemes can be made in early 2025 via Jersey Business. We will be releasing more details on how to apply for these initiatives later this year.

You can read the full Government press release here:

Multi-million-pound investment in Jersey businesses announced

Business investment and support schemes worth a total of £30 million have been announced.

The schemes are:

- a package of financial support measures worth £20 million to help employers improve productivity and adjust to a higher minimum wage

- The Agricultural Loans Fund, which has been established with £10 million and reopened for applications
- The Impact Jersey CX Tech Programme, which will offer up to £500,000 in match funding to improve customer experience in Jersey

The Minister for Sustainable Economic Development, Deputy Kirsten Morel, said:

"Through these schemes, we are helping Jersey businesses to invest in themselves and their employees.

"Jersey suffers from low levels of business investment – less than half of the UK level, which itself is the lowest level of any G7 nation. To achieve our ambition of becoming a high performing, environmentally sustainable and technologically advanced small island economy by 2040, we need to invest in change. We're enabling Jersey businesses to access significant investment, and I'm confident that this will help stimulate the growth and improvement in productivity that we need."

Better Business Support Package

This package has been introduced to help employers improve their productivity and competitiveness during the transition to a living wage, one of the Council of Ministers' Common Strategic Priorities. The minimum wage will rise to £13 per hour from 1 April 2025 in preparation for April 2026, when the minimum wage will be set as two thirds of the 2024 median wage.

The package, which is subject to approval by the States Assembly as part of the Budget, includes the following per year in 2025 and 2026:

- £2.3m Productivity Grant - to help any employer invest in a product or process improvement
- £2m Skills Grant - to help any employer invest in apprentice and skills training
- £1.1m Rural and Marine Grant – top up funding to the existing rural and marine support schemes
- £1m Visitor Economy Development Grant – a productivity grant ring-fenced for visitor economy employers
- £2m Destination Marketing Grant – top up grant for Visit Jersey to increase tourism demand
- £1m Route Development Grant - a contract for Ports of Jersey to increase connectivity

- £0.3m Additional Employee Support – to support lower-income workers who have lived in Jersey less than five years

A small amount of the funding will also be used to support delivery, marketing of the schemes, and the development of an online portal to streamline the grant application process.

The application process will be announced following States approval, with the schemes open to all employers launching in early 2025 via Jersey Business.

The Chief Executive Officer of Jersey Business, Paul Murphy, said:

"We are delighted to be supporting this valuable programme of investment. These packages will enable businesses to access finance and capital through various grants, simplifying and supporting direct business investments. This will act as a catalyst to activate productivity gains relevant to all sectors, directly impacting business growth, resilience, and profits. Additionally, these investments will benefit people by engaging them in work that best utilises their skills and potential. We look forward to sharing more in the coming weeks on how this process will be enabled with a digital-first approach."

The Government and arm's length organisations will be working together with the business community to ensure that Jersey businesses are able to take advantage of the schemes.

Jersey Chamber of Commerce Chief Executive, Murray Norton, said:

"Jersey Chamber has worked with the Government during the development of the new Business Support Schemes, include productivity improvement, skills grants, and funding for apprenticeships. These grants and incentives will offer some support during the transition to the new minimum wage and give businesses opportunities to enhance productivity. Chamber is pleased to now be working with Government and key stakeholders on the mechanics of the schemes and will be the host for breakfast briefings with the relevant stakeholders."

The Jersey Hospitality Association Co-Chief Executive Officer, Marcus Calvani, said:

"This targeted and substantial financial support is essential for our industry, especially as we navigate both the implementation of a new minimum wage and broader economic challenges. We are united and dedicated in our

commitment to advancing the visitor economy strategy in the coming years, and this funding will play a crucial role in fostering growth not only to individual businesses but to the visitor economy as a whole."

Agricultural Loans Scheme

The Agricultural Loans Scheme, which has been dormant since 2003, has now been re-established and £10m allocated to it. Applications for the first tranche of £3 million opened last Thursday, available to help agricultural businesses make long-term investments. Deputy Morel said:

"This was unanimously approved by the States last year, showing that there is support for the agriculture sector. These loans will make it easier for businesses in this important sector to develop and continue to be the protectors of Jersey's natural environment."

The President of Jersey Farmers' Union, Douglas Richardson, said:

"I am pleased to see that the concerns of the farming industry have clearly been taken into account by the Council of Ministers with these proposals. Additional funding delivered under the Rural Support Scheme will help those rural businesses most impacted by the increase to the Minimum Wage. The reintroduction of the Agricultural Loans Scheme will greatly assist with much needed investment in our sector. These measures ensure we will continue to maintain a viable and sustainable farming sector as a vital part of Island life."

CXTech Programme

The latest Impact Jersey grant programme, also launched last Thursday, is aimed at developing and deploying tech-driven solutions to enhance local customer experiences across Jersey's retail, tourism, hospitality, and logistics sectors.

The CXTech Programme will offer up to £500,000 in match funding to innovators who have developed customer experience technology solutions with the aim of enhancing interactions, boosting productivity and improving operational efficiencies.

Tony Moretta, Digital Jersey's CEO, said:

"CXTech is designed to make a positive impact on the Island's visitor and retail

sectors, using technology to significantly transform customer experiences and combatting challenges we're experiencing in Jersey, from increased logistics and freight costs to the fragmented digital interactions encountered when trying to access information."