

Meeting with Condor CEO

Christophe Mathieu (CM)

Richard Corrigan (RC)

27th June 2024

Christophe thanked the Minister for his time and began by providing reassurance that Brittany Ferries were in the process of acquiring a majority holding in Condor and finalising the debt restructuring process. CM explained that the former would soon be notified to the JCRA and GCRA while evidence of the latter would be submitted as an annex to Condor's tender submission.

MSED noted this and explained that Government would be keen to see the relevant documentation at the earliest opportunity. In particular, MSED emphasised that he was eager to receive reassurance from CM/ Brittany Ferries that Condor would remain a going concern and continue to deliver the current operating agreement.

It was noted that Condor was now operating as a subsidiary of Brittany Ferries and explained that the tender application would reflect this.

CM commented that work was underway to update the Condor branding to reflect the commencement of a new era. CM suggested that the company's title would be changed to "Bailiwick Ferries".

MSED noted the update from Christophe and suggested that updating the Condor branding would be welcomed by the public but caveated that, his thoughts on revised branding should not be taken as reflecting upon the ongoing tender process.

Turning to freight, CM highlighted that, upon taking over as interim CEO he had been surprised by the extent and depth of Condor's historic relationship with the Island's primary freight provider. In particular, CM noted that Condor was party to a contractual agreement with the Island's largest freight logistics provider which bound it to "a price structure". CM declined to outline this in detail.

CM did however express concern that this agreement, signed before his tenure as interim CEO, could be viewed as anti-competitive and/ or restrict Condor's ability to submit a tender bid that would enhance competition and add value to the freight logistics market.

It was noted that Government had some concerns over the current level of competition in the freight logistics sector and that this had been highlighted by a previous Jersey Competition Regulatory Authority (JCRA) report.

Noting CM's comments about the contractual agreement between Condor and the Island's largest freight logistics provider, RC explained that this was a private matter but that any anti-

competitive practices should be notified to the JCRA. RC suggested that if CM regarded the agreement to be anti-competitive then this should be reported to the JCRA.

CM noted that the current freight market was primarily RoRo and asked whether the Channel Islands would ever be minded to tender for a LoLo operating agreement?

RC explained Government would need to understand from Ports of Jersey what the Island's capacity for LoLo Traffic was.

RC added that the current Operating Agreement and future Operating Agreement were focused on RoRo given the current set up of the supply chain.

It was noted that LoLo currently represented a lower share of the demand and that some aspects of the supply chain (such as cold chain) would be difficult to move onto LoLo and doing so without prior consultation with the Island's freight forwarders or major retailers would cause disruption to the supply chain.

MSED thanked CM for his time.