



Consultation on proposed Digital Economy Strategy

About the consultation

The Government is committed to delivering a digital economy strategy for Jersey that enables the Island to meet its long-term economic vision to be a consistently high-performing, environmentally sustainable and technologically advanced small island economy by 2040.

The Government's forthcoming full economic strategy will set out the extent of the challenge we face in achieving this aim and the productivity challenge Jersey faces.

If we are to maintain our current standard of living without putting undue strain on our resources, digital tools and services will have a major role to play. That is why the Government believes the time has come for a step-change in strategic delivery for digitalisation to develop the work done to support the sector over a number of years by Digital Jersey and others.

In particular, the Digital Economy Strategy will look to incorporate key elements from Digital Jersey's current Five Year Plan, 2021-2026.¹

This consultation seeks the views of all Islanders whose engagement with the Government's Digital Economy Strategy will be key to its delivery.

Public Meeting Dates

Public drop-in and discussion on the consultation: date TBC

How to submit comments to the consultation questions

In your response, please answer the questions contained within the Consultation.

You can submit your response:

- By email to economy@gov.je with the subject heading **Digital Economy Strategy**
- By post to: FAO Andrew McWhir, Department for the Economy, 19-21 Broad Street, St Helier, JE2 3RR

Data Protection

The information you provide will be processed in compliance with the Data Protection (Jersey) Law 2018. For more information, read the Department for the Economy Privacy Notice

The Government of Jersey may quote or publish responses to this consultation but will not publish the name and addresses of individuals without consent. Types of publishing may include, for example, sending to other interested parties on request, sending to the Scrutiny Office, quoting in a published report, reporting in the media, publishing on the Government website, and listing on a consultation summary. Confidential responses will still be included in any summary of statistical information received and views expressed.

Under the Freedom of Information (Jersey) Law 2011, information submitted to this consultation may be released if a Freedom of Information request requires it, but no personal data may be released.

¹ [Digital-Jersey-5-Year-Strategy-2.pdf](#)

Consultation Paper

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Glossary

Data Asset

any entity consisting of data, for example a system or application output file, database, document, or web page. It may also be a service provided to access data from an application.

Digital Business

a business which produces digital goods and/or services

Digital Economy

the total economic activity of digital businesses and digitally enabled businesses and the wider economy of producers and consumers, including Government, that are utilising these digital inputs in their economic activities

Digital Ecosystem

describes networks of producers, content providers, developers, consumers, and others who interact efficiently using digital resources to create different forms of value

Digital Scale Up

companies which, typically, have validated their digital products or services in markets and proven their sustainability

Digital Start Up

a company in the initial stages of business which is normally self-financed by its founder and aims to attract outside investment to bring its digital product or service to market

Digitally Enabled Business

a business which is reliant on, or significantly enhanced by, the use of digital inputs, including digital technologies, digital infrastructure, digital services and data

Real Gross Value Added (GVA)

the value of goods and services produced in a given year minus the cost of inputs and raw materials, adjusted for inflation

Sandboxes

environments for businesses to test their product or service concepts under regulatory supervision

The Government’s vision for the digital economy comprises:

- **Jersey’s digital businesses** to be confidently operating in domestic and global markets with competitive, high quality services and products.
- **Other business sectors to become digitally enabled**, confidently using digital tools and services to innovate and prosper.
- **Islanders** to be skilled and confident users of digital technologies, embracing the changes the technologies bring to their learning, leisure and working lives.
- **Jersey’s public services** to be continually improved through effective use of digital delivery

Background

The Government is committed to achieving its long-term economic vision for Jersey to be a consistently high-performing, environmentally sustainable and technologically advanced small island economy by 2040. The Government’s forthcoming full Economic Strategy will set out the extent of the challenge we face in meeting that goal. If we are to maintain our current standard of living without putting undue strain on our resources, digital tools and services will have a major role to play. That is why the Government believes the time has come for a step-change in strategic delivery for digitalisation to develop the work done to support the sector over a number of years by Digital Jersey and others. In particular, the Digital Economy Strategy will look to incorporate key elements from Digital Jersey’s current Five Year Plan, 2021-2026.² This consultation seeks the views of all Islanders whose engagement with the Government’s Digital Economy Strategy will be key to its delivery.

The Current Situation

Jersey faces significant challenges in sustaining its current standard of living. The changing demographics affecting Jersey means there will be a significantly smaller percentage of working age Islanders to maintain an aging population by mid-century. The Government’s first annual report on the Common Population Policy published in June of this year makes the scale of the problem clear.³ Addressing this requires a step-change in economic growth. Protecting Jersey’s unique environment while meeting the growth challenge will require all of us to work more efficiently, ensuring that we are maximising the wealth creating potential of digital tools and services, and maximising our assets to make Jersey a global centre for digital business development.

² [Digital-Jersey-5-Year-Strategy-2.pdf](#)

³ [common population policy annual report 2023.pdf \(gov.je\)](#) - see in particular figure 3, page 13

Digital tools and services have an important role to play in achieving the efficiency gains and creating the wealth Jersey needs now and in the future. As well as creating the right environment for wealth-creating digital business, the Digital Economy Strategy aims to significantly increase the productivity of Islanders. Measured as real gross value added (GVA) per full-time equivalent worker (FTE), we can measure the extent of the challenge Islanders need to meet to maintain our current standard of living without putting undue strains on the Jersey environment. Earlier this year, the Deputy Chief Minister set out the scale of the productivity challenge Jersey faces. Given the demographic changes to come, Jersey needs productivity growth of at least 7.5% by 2040 to maintain the standard of living we enjoy today.⁴ This is why the Digital Economy Strategy will be a key pillar of delivering the Government's Economic Strategy being launched later this year.

As well as its contribution to economic growth, the Government wants to ensure that Islanders can fully benefit from all the ways in which digitalisation enhances our lives and life choices. Whether this means enhanced opportunities for better work life balance, or opportunities to stay better connected to friends, loved ones, or network across the globe, digital products and services already make our lives richer. They also have a contribution to make to meet the significant climate change and other environmental challenges Jersey faces by providing options for virtual meetings, and better analytical tools for policy development and business delivery across the whole spectrum of economic activity. We can be certain that the digital platforms and tools we use in 2040 will be different from those available currently and the Government wants to make sure Islanders have the infrastructure, skills, and opportunities to fully benefit from this ongoing evolution.

The ways you interact with government services will continue to evolve as well and a plan for enhanced digital services will be set out in a forthcoming Digital Government Strategy.

The Way Forward

The Government is committed to achieving its vision for the digital economy through interlinked measures set out in the following chapter headings. Each chapter focusses on an action area where we need to focus efforts for change. This change won't happen overnight, but through a commitment to a long-term strategy and the efforts of Islanders to embrace the opportunities of new technologies, we can take the first step on a journey to master digital tools to improve our lives and protect our environment.

⁴ [Minister For Economic Development speech to Chamber Of Commerce 14 June 2023 \(gov.je\)](#)

Chapter 1 Skills

To achieve the Government’s vision for the digital economy, we need a step-change on skills delivery that addresses:

- 1. The gaps Jersey digital businesses currently face in finding Islanders with the right digital skills**

and delivers:

- 2. Access to the training, re-training and upskilling tools Islanders need throughout their lives to benefit from the high-value jobs created by digitalisation.**

Equipping Islanders with the digital skills needed for sustainable growth is the cornerstone of the Digital Economy Strategy. We won’t be able to support the digital businesses we want to create without producing the talented programmers, engineers, and those in related disciplines, who will create the growth Jersey needs. Nor can we afford to waste the talents of those already in the workforce when the evidence clearly points to the productivity gains software and Information and Communications Technology (ICT) specialists bring to businesses.⁵

The relationship between the skills of a workforce and the strength of its economy are well established. A shortage of digital skills jeopardises business growth, the capacity for innovation, and wider societal fulfilment and development. To be clear, this is not just an issue for the technology sector. Skills shortages put economic growth in jeopardy across all sectors of the economy.

To provide some perspective, PwC estimates that 27% of jobs are potentially at risk from automation in Jersey by 2035⁶, while Digital Jersey estimates that the penetration of digitalisation in Jersey’s workplaces lags significantly behind London and Edinburgh.⁷

The Government is committed to achieving a step change in the digital competence of Islanders, including the ability to use technology creatively as learners and in the workplace. This includes addressing the gender divide to increase the uptake of girls and women taking digital skills courses. In schools, we want to put digital competence on a par with literacy and numeracy as a cross-curriculum responsibility, so IT becomes embedded in every aspect of learning.

And, because we can’t be sure of exactly what digital skills will be required five years from now, the Government is considering the most appropriate ways to ensure that upskilling and re-training become part of Islanders’ lifelong learning.

Educators, employers, individuals, and Government all contribute to the development of digital skills. Digital skills from school age software programming through advanced engineering in tertiary education need to be augmented with business and leadership skills. Currently, Jersey has two IT skills strategies, one managed by the

⁵ [pdf \(oecd.org\)](#)

⁶ [digitally-upskilling-the-channel-islands.pdf \(pwc.com\)](#), p. 8

⁷ [Digital-Jersey-Labour-Market-Insights-Exec-Summary-WEB.pdf](#) - page 6

Children, Young People, Education and Skills Department (CYPES), and one by Digital Jersey.⁸ Aspects of delivery are in turn entrusted to Jersey's schools, Skills Jersey and the Digital Jersey Academy. Highlands College, employers, and the third sector also all have roles.

While CYPES and Digital Jersey currently align their work on skills, the Government is considering how best to deliver and consolidate approaches for digital lifelong learning with key delivery partners and outcome based key performance indicators (KPIs) as part of the Digital Economy Strategy.

Bridging the gap between the digital skills needed for the economy now and in future and the core curriculum will be key to ensuring there are Islanders with the right digital skills the economy needs. In this context, we will examine the role proposed development of the Jersey Learning Hub platform⁹ and a relaunched Digital Skills Partnership¹⁰ might play in bridging the gap between the digital skills needed for the economy now and in future and the core curriculum. In particular, the Government is committed to maximise the opportunities for students to pursue locally based digital careers by extending partnership working among education providers, employers, and Government.

QUESTIONS

Q1. How should Islanders be incentivised to invest in improving their digital skills for life and work?

Q2. Who do you think should take primary responsibility for ensuring digital skills are learned and maintained (you may tick more than one)?

- Employers
- Government
- Individuals
- Other

Why?

Q3. Which digital skills should the Government prioritise to ensure we have a pipeline of Jersey talent available to develop the digital economy?

- In the short term
- In the medium term
- In the longer term

Q4. How should the Government extend partnership working between education providers and employers to ensure Islanders develop the right skills?

Q5. Various measures of digital competence exist including comparative country information for a range of indicators at goingdigital.oecd.org and definitions of 'basic' and 'above basic' digital skill sets employed in the UK and other jurisdictions¹¹. The Government of Jersey wants to set ambitious but realistic targets to test the success

⁸ [Digital Skills Strategies launched today \(gov.je\)](https://www.gov.je/digital-skills-strategies-launched-today)

⁹ [Digital Education Strategy report.pdf \(gov.je\)](#)- pages 16-19

¹⁰ Collaboration between education providers and businesses to better align skills

¹¹ [Essential digital skills framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/essential-digital-skills-framework)

of the Digital Economy Strategy in raising the skill levels of Islanders. Perhaps by setting levels of 'basic' and 'above basic' skills and measuring these on a regular basis. Do you have thoughts on what the criteria for these skill sets should comprise?

Chapter 2 Making the most of Jersey's data assets

To achieve the Government's vision for the digital economy we need to expand access to and enhance the value of Jersey's data resources.

As well as ensuring we have digitally skilled and empowered citizens, the Digital Economy Strategy aims to unlock the power of Jersey's data assets to provide more and better jobs to grow the economy. We want to put the power of the data we hold at the service of new generations of Islanders, as well as digital entrepreneurs attracted to Jersey because of our digital connectivity, our high standards and sound legal traditions, and a more open approach to data sets.

There are three means to enhance the value of data. Data owners can enhance the quality of the data they hold, they can invest in skills and tools to increase their analytical capabilities, and they can increase access to (and awareness of) data to increase opportunities for its productive use.¹²

One practical example of enhancing the value of data is the work underway to amend the Register of Names and Addresses (Jersey) Law 2012 to enable the provision of data to designated credit reference agencies. As well as improving the quality and efficiency of performing affordability checks and due diligence verification processes for Jersey residents, this measure will support the continued delivery of services to Islanders.

The Government believes that the data it holds belongs to the people of Jersey and that it should be publicly available where possible in line with data protection law. We also want to see far greater use made of our geospatial assets, for example the digital maps that already exist and are being produced of the island's land and marine environments. And we want to see a culture shift on data from Jersey's state-owned enterprises and the private sector towards a presumption of making the data they have available by default if it's properly anonymised. One possible model for this is Canada's Open Data Exchange¹³, created to raise awareness of possibilities for entrepreneurs to take advantage of more open data, and research new methods of improving access and extracting value from open data.

The Government will work closely with Jersey's Information Commissioner and The Cyber Security Centre for Jersey on expanding access to data and will explore how to build on Digital Jersey's success in piloting LifeCycle¹⁴, a first of its kind data trust.¹⁵

¹² [MAXIMISING THE ECONOMIC AND SOCIAL VALUE OF DATA \(oecd.org\)](#), p. 4

¹³ opengovpartnership.org/members/canada/commitments/CA0056/

¹⁴ [LifeCycle - Powered by Digital Jersey](#)

¹⁵ A data trust is a structure that provides independent stewardship of data. The people or organisations that collect or hold data permit an independent institution to make decisions about how that data is used and shared for an agreed purpose. The data trust becomes a steward of the data, taking responsibility to make decisions about the data and ensure they support the data trust's purpose.

The Government plans to lead by example and significantly expand the economic and social statistics currently available at opendata.gov.je. This is in addition to the work underway on a Digital Strategy for enhanced digital services to ensure that the services it provides promote digital inclusion.

Work is already underway on a Geospatial Action Plan to raise awareness of and promote better access to the mapping and address data managed by the Government. This will drive better service delivery and efficiency making by the public sector as well as encouraging its wider use by business.

We also want to explore ways to bring together the data that is currently held by public authorities across Jersey and will invite the Parishes to meet to discuss how to make the availability of public data as accessible as possible while respecting our different legal identities.

Questions

Q6. To what extent do you agree that the Government and state-owned enterprises should make the data they hold more available and accessible to the public?

Q7. When making Government data more available and accessible, which of the following should the Government prioritise (you may tick more than one box):

- Data that anyone can access, share and use
- Licensing data for free public use
- Licensing data for paid public use¹⁶
- Making premium data products available to new digital businesses
- Other

Q8. As part of its ambition to promote access to data, what steps should the Government, the Jersey Office of the Information Commissioner, and The Cyber Security Centre for Jersey take to educate and reassure the public about their data rights and the safety of their personal data?

Q9. The Government is considering prioritising publication of data by its potential economic value. Do you agree with this approach?

Q10. What new Government-owned data sets would you most like to see prioritised for public access?

Q11. Do you agree with the proposition that States-owned enterprises and the private sector should adopt a data sharing by default principle (on the least restrictive basis possible)?

Q12. Do you agree that data trusts or data stewardship might be useful models to safely expand the availability of and access to sets of public data?

¹⁶ Data license agreements (DLAs) are contracts setting out how data is to be shared and what users can do with the data.

Chapter 3 Support for digital adoption

To achieve its vision for the digital economy the Government will incentivise and support businesses to consider the adoption of appropriate digital tools to enhance productivity.

In 2023, every Jersey business is operating in a digital marketplace. By 2028, through its help and support for the adoption of digital tools and services, the Government aims for every Jersey business to be a digitally enabled business, with a strategy and tools for utilising technology.

This ambition is based on the evidence from the OECD and others that equates adoption with increased productivity.¹⁷

Cultural resistance to changing business operations in combination with cost and a lack of understanding have led to resistance and inertia where automating processes and enhancing customer satisfaction through digitalisation are concerned. This is no longer sustainable. We know from the experience of Covid lockdowns that customer expectations have evolved and continue to evolve rapidly. We also know that the days are over when Jersey's economy was isolated from change elsewhere. Whether it's tourism, food, or financial services, digitalisation means Jersey businesses compete in global markets.

The Government is committed to incentivising digitalisation by providing a range of help and incentives to Jersey businesses. To be clear, this commitment is not about putting Islanders out of work. This is about creating new and better jobs by harnessing automation's power to perform more mundane tasks. So it's also about work-life balance and diversity at work. It's about our economy's capacity to deliver new and well paid jobs done more efficiently by Islanders. And it's about filling the productivity gap Jersey faces.

The Government will take a multi-faceted approach to supporting digital adoption, including by the majority of Jersey businesses which are small or medium sized businesses (SMEs) or run by sole operators. For many of these SMEs, digital adoption isn't about artificial intelligence or blockchains, it's about safe and secure operating systems and client management software. For some, it may even be about understanding the benefits of having a website and electronic booking and payment systems.

With this in mind, the Government is exploring how to support SMEs to successfully adopt digital technology, as well as how best to deliver this. A range of support will be made available covering the questions small businesses need to ask when considering adoption through successful on-boarding of new digital tools and services. The Government is also considering how to showcase technology by curating conversations between vendors and businesses.

Although incentives can take many forms, the Government is also considering whether a financial incentive is required to drive digital adoption by businesses of all sizes. In doing so, we're studying the evidence from other

¹⁷ 'The firm-level productivity premium of being an adopting firm is consistently positive and sizeable across different digital technologies and measures of skill intensity. The evidence also suggests positive spill-over effects in manufacturing sectors and sectors with a high routine task content and thus a high automation potential.' [Digital technology adoption, productivity gains in adopting firms and sectoral spill-overs: Firm-level evidence from Estonia, OECD, 2020](#)

jurisdictions and the role grants or loans might play as part of a multi-faceted approach. For larger businesses, a key consideration is whether a financial incentive would lead to enhancing the priority of digitalisation in their organisations.

As with other parts of the Digital Economy Strategy, the Government will review the evidence for the success of its incentives for adoption and adjust these as required.

Questions

Q13. What forms of incentives for digital adoption should the Government prioritise as part of the Digital Economy Strategy (you may tick more than one box):

- Advice and guidance
- Facilitating contacts between vendors and businesses
- Technical advice
- Financial incentives
- Other

Q14. What type of organisation or organisations do you think should deliver incentives to support digital adoption?

- Government
- Arms' Length Organisations
- Private Sector
- Other

Q15. Should the Government target support for digital adoption towards specific sectors? If so, which one(s)?

- Agriculture
- Construction
- Electricity, gas and water
- Financial Services
- Hotels, restaurants and bars
- Public Administration
- Transport, storage and communication
- Wholesale and retail
- Manufacturing
- Other

Q16. Given limited resources, should the Government target support on businesses that demonstrate they are currently working towards digital adoption?

Q17. What form(s) of financial support for adoption should be made available by Government? What digital tools or products should be eligible for support?

Chapter 4 Making Jersey start-up and scale-up friendly

To achieve its vision for the digital economy the Government will:

- 1. Put in place a structured pathway of support for digital start-ups through the different stages of their business growth.**
- 2. Enhance opportunities for sandboxing to deliver Jersey’s promise as a unique environment for testing digital products and services.**

We will also:

- 3. Ensure that funding available through Impact Jersey is consistent with the vision.**

Start-ups are key drivers of economic growth and job creation across economies.¹⁸ Government support for digital skills, the adoption of digital tools and services, and open and accessible data are all essential ingredients in making Jersey a thriving destination for entrepreneurs that supports and invests in worthy digital start-ups and gear-ups. The Government will support existing and new generations of Islanders with digital and business skills and great ideas to develop the digital businesses of today and tomorrow. In so doing, we will build on lessons learned in initiatives like TEKEX, providing a platform of support for entrepreneurs and links to investors, and Digital Jersey’s successful 2023 start-up bootcamp, both of which demonstrate the wealth of home-grown digital talent Jersey possesses.

By supporting both demand and supply of digital business products and services, the Government’s goal is to arrive at a tipping point in digital business growth in Jersey. This will be reached when Jersey’s digital business growth becomes self-sustaining and further Government incentives are no longer required. When we have achieved a pipeline of talented and skilled Islanders with the digital and business skills, creativity and confidence to launch digital businesses. When mid-career Islanders are inspired to launch their own digital businesses because they feel inspired and supported by an ecosystem that supports their creativity. This is an ambitious goal, but it befits the Government’s view of the opportunity digitalisation affords.

Jersey can no longer take future economic growth for granted as our competitors in global markets embrace these opportunities. As competition from other economies for the best and brightest minds intensifies, and the world embraces the opportunities of AI and the possibilities of the metaverse, this is no longer sufficient.

The Government is making up to £20 million available for Impact Jersey.¹⁹ This programme will deliver grant funding to people and businesses to develop their digital ideas to address key economic, social and environmental challenges the Island faces in line with the Digital Economy Strategy. This key initiative underscores the

¹⁸ <https://www.oecd.org/coronavirus/policy-responses/start-ups-in-the-time-of-covid-19-facing-the-challenges-seizing-the-opportunities-87219267/>

¹⁹ <https://impact.je/>

Government's commitment to supporting growing digital businesses and marks a first step on the journey towards a self-sustaining digital economy.

In addition to funding available through Impact Jersey, the Government will build on the enthusiasm for and quality of applicants for Digital Jersey's start-up bootcamp earlier this year by putting in place a structured pathway of support for start-ups from ideation through the development of minimum viable products and the search for investment to scale up business development for the most viable digital businesses. We will work across Government and with arm's length body delivery partners like Digital Jersey, Jersey Business, and others to design and implement a consistent and tailored process of targeted support.

Integral to this pathway of support will be making the most of Jersey's often talked about but as yet not fully realised sandbox environment. The Government is committed to working with its regulators to make the most of our unique political and economic advantages to promote Jersey as a safe space for experimentation and trial and error problem solving for fledgling digital businesses. And we need to continue to listen to Islanders and businesses of all types and sizes about the regulatory environment for emerging technologies like AI and the metaverse so that Jersey is forward thinking and agile while combining high standards of consumer protection with regulatory certainty.

Questions

Q18. What incentives for digital start-ups should the Government prioritise (you may tick more than one box)?

- Small grants to enable entrepreneurs to concentrate on building their businesses
- Physical hubs or spaces for digital business activity
- Advice and guidance
- Entrepreneurship training as part of lifelong learning
- Mentoring
- Sandboxing opportunities (environments for businesses to test their products or services under regulatory supervision)
- Other

Q19. What do you believe are the biggest barriers to achieving a self-sustaining digital business economy for Jersey? Are these Jersey-specific issues?

Q20. Attitudes to business risk are important factors in any programme of public support for start-ups. What steps should the Government take to ensure start-ups have the space to fail fast and learn lessons from business failures?

Chapter 5 Support for digital businesses

To achieve its vision for the digital economy the Government will:

- 1. Support Jersey's digital businesses to realise opportunities in global markets.**
- 2. Examine ways to simplify and better promote public sector procurement opportunities for Jersey businesses.**
- 3. Consider the need for flexibility in licensing and short-term work opportunities for digital businesses.**

This strategy defines a *digital business* as a business which produces digital goods and/or services. The last chapter highlighted the Government's thinking on support for digital start-ups and scale-ups, while this chapter looks at support for established digital businesses.

Given the small scale of Jersey's market, the Government believes it is important that digital businesses, like others, think globally. That's why, in addition to the measures set out in chapter one to increase the availability of digitally skilled staff, and in chapter three on support for the adoption of digital products and services, the Government will put resources in place to encourage digital businesses to think *first* about opportunities in global markets. In conjunction with the Government's recently launched Export Strategy²⁰, we will also provide Jersey's digital businesses with advice on export regulations, training and mentoring opportunities, and market feasibility research. And focussed marketing activity aligned with the Government's Inward Investment Strategy in key global markets to enhance the visibility of Jersey as a digital centre will be combined with the promotion of digital exports and opportunities for digital exporters to get involved.

The Government is keen to hear from Jersey's digital businesses about the difficulties they face, and the solutions they advocate. In particular, regarding the acute shortage of some specialised staff, particularly software developers and others available to support Island businesses. The Government is also considering whether to provide flexibility to make conditions more favourable for more productive firms while, at the same time, promoting the benefits of hiring (and training) local staff with local knowledge of Jersey's markets and culture.

The Government also wants to shorten the public procurement process to enhance cash flow to local digital businesses (particularly early stage businesses where cash flow can be a life-or-death issue) and ensure that every Jersey business has the opportunity to respond to Government tenders.

²⁰ [Export Strategy \(gov.je\)](#)

Questions

Q21. If you are exporting digital products or services from Jersey, or are considering doing so, what support would you find most helpful?

Q22. What steps should the Government take to incentivise the benefits of hiring local staff to Jersey's digital businesses?

Q23. Do you agree with the idea of favouring more productive digital businesses with more favourable conditions if they need to recruit off-Island staff?

Q24. To what degree would you favour the introduction of short term work placement opportunities for students with relevant digital skills and exchange visitors enabling them to undertake short term work in Jersey?

Q25. Please list any global markets that you believe the Government should prioritise in supporting the export of Jersey digital products and services.

Q26. If you are a Jersey digital business, what roles do you find most difficult to fill with local staff?

Q27. If you are a digital business that has participated in Jersey public procurement, what steps do you think the Government should take to increase the visibility of tender opportunities and/or shorten the procurement timescale?

Chapter 6 Future proofing regulation

To achieve its vision for the digital economy the Government will:

- 1. Review current regulations to ensure they encourage growth through digitalisation and promote entrepreneurial activity.**
- 2. Create an AI Task Force to examine the opportunities and risks for Jersey from novel uses of data.**
- 3. Consider lessons learned to date and future opportunities to develop Jersey as a centre of good practice for data stewardship.**

Jersey benefits from sound legal traditions and a regulatory system which provides certainty for businesses and high standards of protection for consumers. As the technologies of today make way for those of tomorrow with increasing speed, the Government is committed to ensuring that Jersey maintains these advantages.

The Digital Economy Strategy will set out a multi-year programme with measurable, evidence-based deliverables that will need to be regularly reviewed for their contribution to productivity. The Strategy will also need to reflect future technologies with disruptive potential like the metaverse, as well as technologies presently unknown.

The Government is committed to reviewing current regulations to ensure they are fit for the growth of today's 'new things' like distributed ledger technology, electronic trade, and artificial intelligence. To ensuring that regulation is appropriate to support and encourage businesses to utilise tools like electronic signatures, electronic invoicing, and that we expand knowledge of smart contracts. And that we ensure that our data protection and cyber protection regimes remain fit for purpose.

As well as supporting the uptake of digital technologies in Jersey, ensuring regulation remains appropriate will support the Government's Inward Investment Strategy and enhance Jersey's reputation as a global digital centre with a pro-innovation approach.

In addition to our flexible regulatory regime, another key advantage we have in Jersey is the unique nature of our politics, our environment, our economy, and the penetration of fibre to homes and businesses. As we set out in chapter four, the Government will take steps to better exploit these advantages by ensuring we are able to fully extend sandboxing opportunities to start-ups and other digital businesses. These steps will seek to address concerns from industry about regulatory risk by providing space to enable new made-in-Jersey innovations to come to market.

Government has legislated for businesses to make use of digital ID as a means by which they can satisfy their customer due diligence requirements under the Proceeds of Crime (Jersey) Law 1999 and Money Laundering (Jersey) Order 2008 should they chose to do so. This will enhance Jersey's competitiveness as an international financial services jurisdiction reducing risk, costs while increasing speed to market and service delivery. This may

also support the development of specific products and services by Jersey SMEs to service the financial services industry locally and further afield.

The Government encourages financial technology (FinTech) including cryptocurrencies, blockchain and distributed ledger technology growth within the financial services sector. This growth is supported by a sophisticated legal, regulatory, and technological infrastructure, for example the Government has introduced legal and regulatory requirements for Virtual Asset Service Providers (VASPs). However, this sector is rapidly evolving including regulatory frameworks across the world, and work continues to keep the operational framework under review balancing the desire to innovate and remain a competitive international finance centre versus jurisdictional and reputational risk.

The Government is reviewing Jersey's strategy for Open Finance (including Open Banking) with a view to developing a phased roadmap, ensuring Jersey remains a competitive jurisdiction in delivering retail and institutional financial services.

As part of its review of regulation, the Government will examine the need for changes to support data stewardship models like the LifeCycle data trust (see chapter 2) and consider requirements for upskilling professionals to manage them.

The Government will also consider establishing a task force on artificial intelligence with a remit to examine and make recommendations about opportunities for Jersey from AI technology, and to promote a dialogue with Islanders about both the opportunities AI brings as well as its risks.

Questions

Q28. What principles for the future regulation of digital technologies should underpin the Government's approach?

Q29. To what extent do you agree that the Government should pursue a pro-innovation approach to the regulation of digital technologies while maintaining high standards of consumer protection?

Q30. What current regulations on digital commerce and data would you like to see changed? Why?

Full list of Consultation questions

Q1. How should Islanders be incentivised to invest in improving their digital skills for life and work?

Q2. Who do you think should take primary responsibility for ensuring digital skills are learned and maintained (you may tick more than one)?

[Tick boxes for:

Employers

Government

Individuals]

Why?

Q3. Which digital skills should the Government prioritise to ensure we have a pipeline of Jersey talent available to develop the digital economy?

[Sections for responses

In the short term

Medium term

Longer term]

Q4. How should the Government extend partnership working between education providers and employers to ensure Islanders develop the right skills?

Q5. Various measures of digital competence exist including comparative country information for a range of indicators at goingdigital.oecd.org and definitions of ‘basic’ and ‘above basic’ digital skill sets employed in the UK and other jurisdictions²¹. The Government wants to set ambitious but realistic targets to test the success of the Digital Economy Strategy in raising the skill levels of Islanders. Perhaps by setting levels of ‘basic’ and ‘above basic’ skills and measuring these on a regular basis. Do you have thoughts on what the criteria for these skill sets should comprise?

Q6. To what extent do you agree that the Government and state-owned enterprises should make the data they hold more available and accessible to the public?

Q7. When making Government data more available and accessible, which of the following should the Government prioritise (you may tick more than one box):

- Data that anyone can access, share and use**
- Licensing data for free public use**
- Licensing data for paid public use²²**
- Making premium data products available to new digital businesses**
- Other**

²¹ [Essential digital skills framework - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

²² Data license agreements (DLAs) are contracts setting out how data is to be shared and what users can do with the data.

Q8. As part of its ambition to promote access to data, what steps should the Government, the Jersey Office of the Information Commissioner, and The Cyber Security Centre for Jersey take to educate and reassure the public about their data rights and the safety of their personal data?

Q9. The Government is considering prioritising publication of data by its potential economic value. Do you agree with this approach?

Q10. What new Government-owned data sets would you most like to see prioritised for public access?

Q11. Do you agree with the proposition that States-owned enterprises and the private sector should adopt a data sharing by default principle (on the least restrictive basis possible)?

Q12. Do you agree that data trusts or data stewardship might be useful models to safely expand the availability of and access to sets of public data?

Q13. What forms of incentives for digital adoption should the Government prioritise as part of the Digital Economy Strategy (you may tick more than one box):

- Advice and guidance
- Facilitating contacts between vendors and businesses
- Technical advice
- Financial incentives
- Other

Q14. What type of organisation or organisations do you think should deliver incentives to support digital adoption?

- Government
- Arms' Length Organisations
- Private Sector
- Other

Q15. Should the Government target support for digital adoption towards specific sectors? If so, which one(s)?

- Agriculture
- Construction
- Electricity, gas and water
- Financial Services
- Hotels, restaurants and bars
- Public Administration
- Transport, storage and communication
- Wholesale and retail
- Manufacturing
- Other

Q16. Given limited resources, should the Government target support on businesses that demonstrate they are currently working towards digital adoption?

Q17. What form(s) of financial support for adoption should be made available by Government? What digital tools or products should be eligible for support?

Q18. What incentives for digital start-ups should the Government prioritise (you may tick more than one box)?

- Small grants to enable entrepreneurs to concentrate on building their businesses
- Physical hubs or spaces for digital business activity
- Advice and guidance
- Entrepreneurship training as part of lifelong learning
- Mentoring
- Sandboxing opportunities (environments for businesses to test their products or services under regulatory supervision)
- Other

Q19. What do you believe are the biggest barriers to achieving a self-sustaining digital business economy for Jersey? Are these Jersey-specific issues?

Q20. Attitudes to business risk are important factors in any programme of public support for start-ups. What steps should the Government take to ensure start-ups have the space to fail fast and learn lessons from business failures?

Q21. If you are exporting digital products or services from Jersey, or are considering doing so, what support would you find most helpful?

Q22. What steps should the Government take to incentivise the benefits of hiring local staff to Jersey's digital businesses?

Q23. Do you agree with the idea of favouring more productive digital businesses with more favourable conditions if they need to recruit off-Island staff?

Q24. To what degree would you favour the introduction of short term work placement opportunities for students with relevant digital skills and exchange visitors enabling them to undertake short term work in Jersey?

Q25. Please list any global markets that you believe the Government should prioritise in supporting the export of Jersey digital products and services.

Q26. If you are a Jersey digital business, what roles do you find most difficult to fill with local staff?

Q27. If you are a digital business that has participated in Jersey public procurement, what steps do you think the Government should take to increase the visibility of tender opportunities and/or shorten the procurement timescale?

Q28. What principles for the future regulation of digital technologies should underpin the Government's approach?

Q29. To what extent do you agree that the Government should pursue a pro-innovation approach to the regulation of digital technologies while maintaining high standards of consumer protection?

Q30. What current regulations on digital commerce and data would you like to see changed? Why?

