

Guernsey: Private Finance and its Role in Supporting the Transition to Net Zero

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Background

While there has been significant attention paid to the role of public finance, until recently there has been less attention on the critical part, private finance can and must play, if the goals of the Paris Agreement; to limit global warming to below 2 degrees Celsius (preferably 1.5) degrees, and for developed economies to invest \$100bn annually – are to be met.

The transition to net zero requires a fundamental rewiring of our global energy system. It will drive disruptive innovation across almost every sector and every region globally.

What Role is Guernsey Playing?

There is a significant opportunity for global private finance to partner with the Guernsey finance industry to drive a proactive sustainability agenda, and to establish Guernsey as the leading global centre for financing the transition to net zero.

This includes traditional sectors such as: trusts and corporates, insurance and investment management, as well as the development of new specialist expertise and support services, for example around ESG, data and fintech.

Key differentiators that enable Guernsey to capture this opportunity are:

- A strong track-record for innovation
- An engaged, supportive regulator
- Fast, easy access to global markets
- A strong, stable, trusted home for private capital
- A trusted home of specialist solutions
- A strong pool of experienced advisors

Dixcart Services

Trust & Company: Dixcart remains one of the leading privately owned, fully independent, client relationship and service level driven trust and corporate services groups in the Crown Dependencies and further afield. Dixcart has a clear goal to develop opportunities to become the leading trusted provider for private clients (particularly Family Offices) and corporate clients, who are sustainably investing within the industry.

The Guernsey Way Forward

Guernsey has committed to a 2050 net zero target, and an interim policy commitment to reduce emissions by 57% of 1990 levels, by 2030. Together with the States of Guernsey, Guernsey Finance has set a clear ambition for Guernsey to play a leading role in driving the transition towards a greener, more sustainable future globally.

Via Guernsey Green Finance, Guernsey has already proven itself to be at the forefront of innovation in the green and sustainable finance sector.

A number of key examples include:

TISE Sustainable – Headquartered in Guernsey, The International Stock Exchange (TISE) hosts one of Europe's most comprehensive sustainable market segments and is aligned

to the UN's Sustainable Stock Exchange initiative

Guidance and Frameworks – developing industry-first frameworks and guidance including an ESG framework for insurers and the green private equity principles

Collaboration & Engagement – Sustainable Finance Week, took place on the 20th to 23rd of September 2022 and brought together global leaders and experts in this field, to act as a catalytic force for innovation and collaboration.

Guernsey also actively participates in a number of key international initiatives and networks including; the UN Financial Centres for Sustainability (FC4S) Network, UK Green Finance, and Network for Greening the Financial System (NGFS).

Conclusion

While the challenges are great the solutions exist in Guernsey. For further information regarding Dixcart services and support, and to discuss your requirements and opportunities contact the Dixcart office in Guernsey: advice.guernsey@dixcart.com