

Guernsey Finance Refines its Messaging for Asia with Sharp Focus on Private Wealth in the Greater Bay Area

The global financial services centre of Guernsey, situated between England and France in the English Channel, promotes itself in selected markets across the world, including Hong Kong and wider Asia, as WE ARE GUERNSEY – emphasising the connected nature of the island’s broad financial services offering. Headed by new Chief Executive Rupert Pleasant, who took up the role last spring, the agency ensures that the core values and competencies of the island’s finance sector are understood by the global community and that financial business development flows are enhanced. Hubbis spoke with Andy Robinson, who has been working as a consultant with WE ARE GUERNSEY in Hong Kong since the middle of last year, helping to boost connectivity in the wealth industry in the region and further raise the island’s profile. Andy was formerly Chairman of the Life Insurance Council, and Deputy Chairman of the Hong Kong Federation of Insurers in 2015, and he offers a deep working knowledge of the industry in Hong Kong and wider Asia region.

Robinson explains that he is a 26-year banking and insurance veteran of Hong Kong and had been encouraged to link up with Guernsey by its new CEO, whom he had known for many years.

"It seemed like an ideal consultancy role for me," Robinson reports. "They had conducted a strategic review and wanted to bolster Hong Kong's presence and reach, and I had a long experience of the region. The rebranding to 'WE ARE GUERNSEY' that took place in 2016 was designed to reflect the inclusivity of the finance sector on the island, and how the whole finance sector very much works together for the good of the island and the good of the global financial services industry. We are now building on that message and building further connectivity."

Robinson himself has a wide range of offshore experience, having lived and worked in both Guernsey and the Isle of Man. He moved to Hong Kong in 1994, and since then has held senior insurance roles, including Head of Life Insurance for Zurich Life, and Chair of the Life Insurance Committee at the Hong Kong Federation of Insurers. He holds a full Technical Representative licence for both Life and General Insurance sales in Hong Kong.

Global messaging

WE ARE GUERNSEY is jointly funded by the States of Guernsey and the local industry. Its role is to promote the island globally, to act as the liaison between financial professionals on the island and finance professionals overseas, and to promote the island's trust, wealth management and investment fund services, and some key initiatives Guernsey has been driving such as green and sustainable finance.

"And a large part of my role here is to build awareness and to connect people we meet with the right professionals in Guernsey," Robinson comments, "which is especially important if they have not had dealings with us before."

Asia – firmly in the Guernsey sights

Robinson explains that the immensely powerful economic grouping of the Greater Bay area is producing private individual and family wealth at a remarkable speed, and that wealth and estate planning and structuring

"This is so vital today, a strong reputation for economic substance is actually at the top of the list, followed by the quality and depth of the financial services professionals in Guernsey. We are not putting out our stall as cheap and easy, but as a jurisdiction that can help create and house thorough, well-devised, well-assembled, and where necessary, sophisticated structures."

are developing apace, while the younger generations are increasingly eager to engage with green and sustainable finance as expressed by their family allocation of investment capital. "And for the older generation, the founders for example," he says, "Guernsey has immense experience in sophisticated trust and family office structures, and we have a strong track record in economic substance, which is ever more important for offshore jurisdictions."

Robinson enlarges on the Guernsey proposition and differentiation. "This is so vital today," he reports, "a strong reputation for economic substance is actually at the top

of the list, followed by the quality and depth of the financial services professionals in Guernsey. We are not putting out our stall as cheap and easy, but as a jurisdiction that can help create and house thorough, well-devised, well-assembled, and where necessary, sophisticated structures."

Reputation and quality

He adds that Guernsey is not aiming to offer complexity for the sake of it - simplicity is also ideal for some situations - but he explains that many clients and families in the region have very complex

family situations and requirements. "They might, for example, want to include life insurance solutions or other products or structures that we have great experience in," he notes.

He remarks that Guernsey's proximity to London is a major draw for clients and that Guernsey has a long-established reputation in the world of trusts and trust law. "The regulators are also very agile in terms of accommodating flexibility and putting in place bespoke arrangements for trustees, and they are highly approachable, with WE ARE GUERNSEY ideally positioned to act as an intermediary between the regulatory authorities and our clients and business partners."



ANDY ROBINSON
WE ARE GUERNSEY

In terms of competition, he explains that any jurisdiction that offers more sophisticated solutions rather than simply off-the-shelf products is a natural competitor. “In our region, of course, that really means Jersey, and in Asia it means Singapore,” he reports.

Rising to the challenges

Robinson notes that the island has handled the pandemic rather well. He reports how Chief Executive Rupert Pleasant had recently outlined how the agency worked to overcome the challenges of the Covid-19 pandemic and develop further during 2021.

“He stated how we had demonstrated safety, security, stability and resilience through our response to Covid-19,” Robinson reports. “It has in fact been almost seamless business as usual in Guernsey for the past year, and there is now huge interest in Guernsey, and we need to capitalise on this. Our CEO explained how our messaging is on target and how green and sustainability are a golden thread throughout our strategy.”

Getting Personal with Andy Robinson

Andy hails from Manchester in the UK, where he attended the Stand Grammar School for Boys. “I left school at 16 and thought I would follow my father, who was a bank manager, he had worked his way up and provided well for the family,” Robinson reports. “I felt I could do that as well. I joined TSB at the time, and then I moved to Lloyds just before the merger went through.”

He worked in Manchester until 1988 and then took a role in the Isle of Man, which was his first experience of the world of offshore finance. “The job was actually a bit above my pay grade,” he quips, “and at a level I would not have got to in Manchester at that time. Actually, the Isle of Man was a difficult place to settle into, as I went over in the winter, having never been there before. I regretted it for about the first three months until I started to make some friends, and then enjoyed a great five years there. It is actually a very lovely place to live.”

Lloyds Bank then asked him to relocate to Hong Kong to manage the offshore branch there, before he moved to Guernsey in 1998, where he spent two years with Lloyds Private Banking & Trust Company. Moving back to Hong Kong in a business development capacity saw him moving to Zurich International Life, where after four years he was asked to undertake the work to obtain the first offshore insurance licence in Singapore. That resulted in him handling all the procedures with the Monetary Authority of Singapore, obtaining the licences, setting up the new office and moving there in 2006, staying there for three years to head up the office. “Those were exciting times,” he recalls. “It felt pioneering and both challenging and rewarding.”

Robinson has always enjoyed watching sports more than playing them, and when normal conditions prevail looks forward to travelling to watch England or the British & Irish Lions play rugby again.

He is also a non-executive director on the global board of the Christina Noble Children’s Foundation, a global charity that helps underprivileged children in poorer countries. “Our belief is in the power of education. It is like the saying that if you teach someone to fish, they can eat for the rest of their life,” he comments, “and so too education is at the core of the charity. We were 30 years old in 2020, and, for example, we are well known in Vietnam, with a big school and operational centre in Ho Chi Minh.”

Building out the proposition

Robinson points to some key initiatives for Guernsey. He explains, for example, that a key area for the island is as

a jurisdiction of choice for alternative funds. He points to a report by Tim Wilson of IQ-EQ, who had reported that throughout 2020, Guernsey continued to

welcome a number of new alternative asset fund promoters to the island, ranging from first-time managers to experienced alternative investment firms.

A centre for alternative funds

“These funds were attracted to Guernsey’s reputation as a high-calibre international financial centre,” Robinson comments, “with its tax neutrality, its position on EU and OECD whitelists, its provision of substance and international compliance, and the high standards of client service, expertise, stability and appropriate regulation.”

“The younger wealth here is very much more engaged in these green topics and underlying issues than perhaps their fathers and grandfathers were. We are therefore prioritising the communication of Guernsey as the jurisdiction for wealth market clients and family offices, the investment funds offering, insurance solutions and green and sustainable finance.”

Wilson had also highlighted in the article that speed to launch is critical for the fund industry and that the Guernsey Financial Services Commission (GFSC) as regulator offers a fast-track regulatory approval regime, with approvals ranging from just one day for a Private Investment Fund (PIF) to three days for a Registered Fund.

“And the island offers an excellent ecosystem of financial services, legal, accounting, trust and other experts,” Robinson adds.

The article also commented that Guernsey’s investment funds industry remains innovative and often leads the way with regulatory fund products that

attract managers to domicile their funds in Guernsey.

And with ESG a core priority

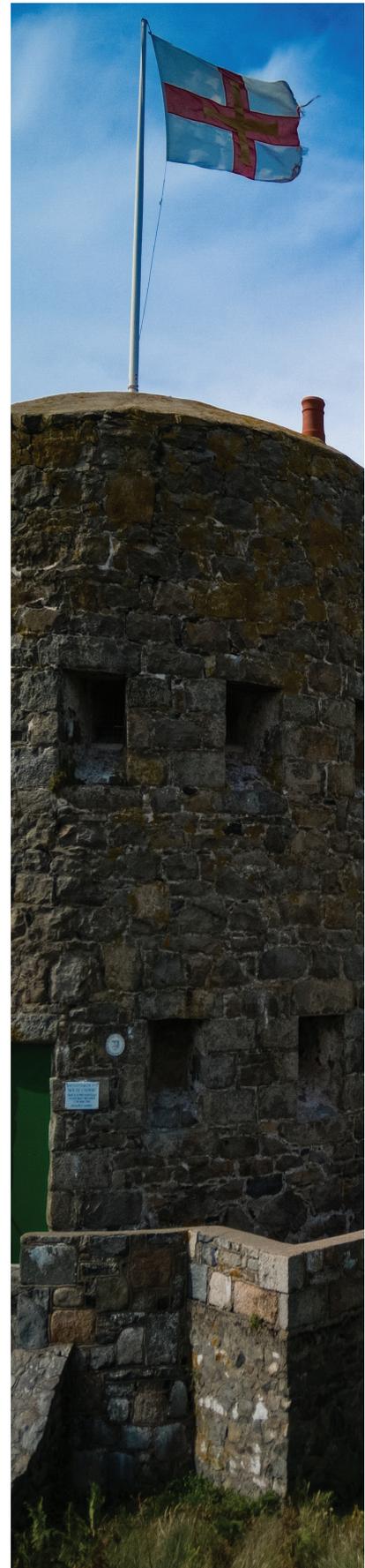
Wilson highlighted how Guernsey had launched the world’s first regulated Green Fund product which aims to reassure investors that a Guernsey Green Fund’s portfolio is invested in a manner that contributes to the internationally agreed objectives of mitigating environmental damage and climate change.

Robinson also points to an article in the IFC Review Guernsey 2020

Report in which Dr Andy Sloan, Deputy Chief Executive, Strategy, at Guernsey Finance and Chair of Guernsey Green Finance, reinforced the message on ESG and sustainability, offering an update on the progress made and challenges for Guernsey’s contribution to a global bid to finance climate change mitigation.

Waving the green flag

Sloan wrote: “Guernsey has shown considerable imagination with regards to green and sustainable finance and it should view this as a platform for bigger and better products....It has certainly been our aim to be recognised as a significant contributor to the green finance debate. Our membership of the



United Nations' Financial Centres for Sustainability (FC4S) network is well-established. We have a longstanding relationship with the UK's Green Finance Institute. Our schedule of green finance events continues to position ourselves strongly on a local, national and international platform."

According to another report, this time from independent fund research company Monterey Insight, total fund assets serviced in Guernsey increased by 4% in the year to the end of June 2020 as the island saw an influx of new business.

Monterey reported in its annual update that there were approximately 100 Guernsey-domiciled fund launches during the year, worth some USD16.4 billion of assets. Total fund assets serviced in Guernsey were up to USD428.4 billion, with private equity funds remaining core to Guernsey's strength in funds, with Private Equity assets accounting for some 75% of the new launches.

Industry praise

And the Guernsey website also offers robust industry plaudits. For example, Dave Sauvarin, country head, Channel Islands, Northern Trust, the highest-ranked fund administrator, custodian and transfer agent by market value, is quoted as stating: "The Guernsey Fund Industry has demonstrated its resiliency and stability throughout the challenges of COVID-19, supporting leading fund managers

to launch, grow and evolve their assets under management. Guernsey combines a stable funds infrastructure with innovative, swift-to-market solutions for alternative investment funds aligned to evolving investor needs, such as the focus on sustainable investing."

And Tony Corbin, Director at PwC Channel Islands, which leads the auditor rankings, is reported as stating: "In these particularly testing times, Guernsey has demonstrated its resilience, capabilities and adaptability and continues to have a thriving investment management industry, being well-recognised as a global centre of excellence for investment funds, providing appropriate structures, a robust regulatory environment and first-class professional services."

Key Priorities in Asia

Guernsey's key priorities for Asia have been broadly split into four areas.

"Our CEO's strategic view in 2020 concluded that, given the strengths as a jurisdiction and diversity that I have outlined, the key offering for wealthy individuals and families in Asia is our trust and family office expertise," Robinson reports. "The other priorities are investment funds, and insurance, specifically risk transfer type insurance, as we are a leading jurisdiction for protected cells and captives. And the fourth priority segment is green and sustainable finance."

Robinson reports that as Guernsey focuses on these areas, the

immensely powerful combined economy of the Greater Bay Area offers great potential. "For example, there is an immense amount of wealth structuring required as patriarchs age and deal with legacy planning," he comments. "And the younger wealth here is very much more engaged in these green topics and underlying issues than perhaps their fathers and grandfathers were. We are therefore prioritising the communication of Guernsey as the jurisdiction for wealth market clients and family offices, the investment funds offering, insurance solutions and green and sustainable finance."

Spreading the word

Robinson closes the discussion by noting that his mission would in normal times be to get out and about meeting all the different practitioners in Hong Kong, Shanghai and further afield in the region, face to face, including private bankers, independent wealth managers, funds, lawyers, trust companies and other fiduciaries.

"We now have to work mostly remotely," he says, "but we have to hope that some sort of normality returns before long. We have a good message to get out about the longevity and reputation as a quality jurisdiction, its stability and its great relevance to the wealth management market professionals and their clients in Asia, both in the Greater Bay area and of course further afield across the region." ■

