

# THE FUTURE FOR GUERNSEY FUNDS LOOK GREEN

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In the global power and utilities market 56% of M&A deals were in the renewables sector according to EY's Power Transactions and Trends: Q1 2019 report. This contributed to a total value of \$12.7b (61% of total deal value) with Europe leading the activity with \$5.4b (42.5%) of total renewables deal value.

The report highlights a positive outlook for renewable energy transactions, with the clean energy market expected to continue to grow and attract investment from a variety of stakeholders, including strategic investors, financial sponsors, corporations and government. Furthermore, corporations are setting their own renewable targets, with more than 150 companies pledging to use 100% renewable energy by 2050 and government applying pressure worldwide by implementing clean energy policies and new energy plans.

Peter Miller, EY Assurance Associate Partner, explains in [BL Global](#):

"There is no doubting the increased interest from global investors in green and sustainable finance. The statistics from the report are deafening that renewables provide significant opportunities and capital investment. Guernsey has made positive steps to leverage the opportunities presented by securing its position as a leading global centre for green and sustainable finance. Most notably, last year it launched the world's first regulated green investment fund product. The product is essentially a kite mark providing investors certainty that 75% of the fund's investments are allocated in certified green assets. As a result, at EY we have received enquiries to provide third party certification that funds meet the Guernsey Green Fund Rules and third-party certification that funds comply with The International Stock Exchange's TISE GREEN segment's criteria."

Driven by market potential, customer preference and corporate sustainability goals, financial sponsors are firmly committed to renewable energy investments meaning a significant pool of investment continues to grow. EY's report revealed it's not just the utilities companies that are driving the change in our energy trends. In March 2019, over 200 companies, including Facebook and Alphabet's subsidiary, Google launched the renewable Energy Buyers Alliance with the goal to bring 60 GW of renewables online in the US by 2025.

Mr Miller concluded: "Our global colleagues are seeing an increase in investors and fund managers alike seeking green finance opportunities. Guernsey is very well placed to support them in leveraging these opportunities from the islands growing expertise and innovative product offerings."

You can access the full EY Power Transactions and Trends: Q1 2019 report here:

[https://www.ey.com/en\\_gl/power-utilities/how-demand-for-renewables-drives-m-a-activity](https://www.ey.com/en_gl/power-utilities/how-demand-for-renewables-drives-m-a-activity).

This article was first published in [BL Global](#), July 2019.

WE ARE GUERNSEY is the brand under which Guernsey Finance promotes the island's financial services sector internationally. Guernsey Finance - the promotional agency for the island's finance industry internationally - is a joint industry and Government initiative responsible for the promotion of Guernsey. Under the leadership of Chief Executive Dominic Wheatley, the agency ensures that the core values and competencies of the island's finance sector are accepted and respected by the global community and that financial business development flows are enhanced.

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