

LATEST GREEN FUND LAUNCH REFLECTS FURTHER GROWTH IN GUERNSEY'S SUSTAINABLE FINANCE SECTOR

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The seventh Guernsey Green Fund reflects growth of sustainable finance across Guernsey's finance sector according to Dr Andy Sloan.

This latest fund follows last month's announcement of the largest ESG linked subscription credit facility in Guernsey and Guernsey's Insurance Association's news that it is developing a sustainable finance framework for ILS.

True North Real Estate Partners' first fund, the Forestry Carbon Sequestration Fund, has been designated as a Guernsey Green Fund by the Guernsey Financial Services Commission having met strict eligibility criteria.

The Forestry Carbon Sequestration Fund will focus on woodland creation, acquiring agricultural land across the UK to develop as Forestry Stewardship Council-compliant commercial forestry. This ecologically beneficial forestry planting is the central element to reaching the fund's 1.65 million tonne carbon sequestration target.

The fund is structured with a co-investment 'side car' allowing it to scale up if larger investments are available. It achieved its £30 million equity target at launch, exclusively supported by leading global investment firm Willis Towers Watson.

Dr Sloan said this latest launch showed the Guernsey Green Fund to be a "broad church".

"At a time when we are undertaking a review of our sustainable finance strategy and actively developing new private wealth services this fund demonstrates the breadth interest across the private wealth investor base and the expertise available across different sectors," he said.

True North was set up in 2019 to focus on ESG-motivated real asset strategies and to meet the increasing institutional investor demand for opportunities leading on environmental and social impact rather than addressing these issues as a passive reporting function to legacy investment strategies.

Carey Olsen's investment funds team in Guernsey acted as lead counsel on the launch. The firm now advises on six Guernsey Green Funds.

"The creation of the world's first regulated green investment fund product by the Guernsey Financial Services Commission has proved incredibly popular since its launch in 2018," said Partner Annette Alexander. "It provides investors with a trusted and transparent product in the investment space that they know is contributing to mitigating environmental damage and climate change.



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Dr Andy Sloan, Guernsey Green Finance

Saffery Champness has been appointed to provide administration and accounting services to the fund from Guernsey.

"We are pleased to be working with an innovative fund and manager with a distinct aim to mitigate environmental damage," said Ian Powell, Managing Director of Fund Services for Saffery Champness in the island. "Green investing is a growing and popular area of the market and one which is creating a lot of interest."

"With the Guernsey Green Fund, the Guernsey Financial Services Commission has created a platform which provides investors the comfort of knowing that the product conforms to the internationally agreed objective of mitigating environmental damage and climate change."

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