

GUERNSEY GREEN FINANCE KEEN TO DEVELOP GREEN INSURANCE

26 APRIL 2019



Guernsey Green Finance and the Guernsey International Insurance Association have set out a strategic view on ways to develop green insurance products in the island, in a response to a discussion paper from the Guernsey Financial Services Commission.

Its response was developed in a collaborative effort between the insurance industry body, and the industry organisation driving the development of green and sustainable

finance in the island.

Proposals for short-term action and long-term strategy include:

- Discounted regulation fees for green insurance;
- Promotion of insurance-linked securities more strongly as a green product; and
- Broadening the island's jurisdictional strategy to extend climate risk insurance to developing nations.

"This is a major opportunity to collaborate through Guernsey Green Finance and drive the widespread adoption of sustainable finance," said GGF Chair Dr Andy Sloan, who was heavily involved in the development of the world-leading Guernsey Green Fund, launched by the GFSC in 2018.

"We are confident that the suggestions contained in our response to the discussion paper represent areas where there is the opportunity to develop green insurance, thanks to the island's position as a specialist insurance centre and a leader in sustainable finance."

Mike Johns, Chairman of GIIA, said: "We do not believe that policyholders should be exposed to unnecessary risk so that the insurer may pursue green and sustainable initiatives.

"However, we support the inclusion of incentives to invest in green assets within solvency calculations in two broad scenarios – where long-term liabilities could be linked with long-term green assets and for captive insurance companies, where the impact of insolvency could be reasonably maintained."

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 Rupert Pleasant, 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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