



Guernsey Financial
Services Commission

JURISDICTION: GUERNSEY

AUTHORITY: GUERNSEY FINANCIAL SERVICES COMMISSION

Background

The *Guernsey Financial Services Commission* (GFSC) is the regulatory body for the finance industry in the Bailiwick of Guernsey. It seeks to secure good regulatory outcomes with integrity, proportionality and professional excellence, thereby generating confidence in the Bailiwick as a jurisdiction.

The GFSC is an independent public body funded entirely by licensees. It is accountable to the State of Guernsey, which is responsible for the Bailiwick's financial services industry and for establishing the regulatory regime. The Commission supervises over 2,000 licensees from within the banking, fiduciary, insurance and investment sectors. The GFSC is both a conduct and a prudential regulator.

Sustainability objectives

The GFSC has selected an investment manager able to provide staff with a green investment approach.

The GFSC is in the process of investing in a piece of land in Scotland. This land will be planted with saplings in the expectation this will in due course make the GFSC carbon-neutral regulators.

The GFSC is the first regulator in the world to facilitate green investment funds. This regime continues to evolve not least to adopt the EU taxonomy. Details are [here](#).

In October 2020, the GFSC issued a Consultation Paper on Insurance Capital Standards for Green Investments. This suggests that the GFSC should apply a discount to green assets for life companies. Details are [here](#).

The GFSC continues to develop its licensing for Insurance-Linked Securities (ILS). These mitigate insurer exposure to catastrophic risk including climate-related events.

The GFSC is asking its licensees to consider climate change as part of their business approach. It has also added climate change to its Consumer FAQs. The SIF Question Bank has helped in this.

More generally, the GFSC has introduced a Green section on its [website](#).

Sustainability work highlights

The GFSC sees the SIF as a key forward-thinking body, mandated to develop innovative thinking. The GFSC considers that it may be able to help SIF's thinking in relation to host regulators and to small IFCs; not least as chair of GIICS.



Membership of any other initiatives/networks working on sustainability

- IAIS
- GIICS (Chair)
- GIFCS
- IOSCO
- NGFS
- Moneyval
- Guernsey Green Finance

Recent engagement with SIF

GFSC attended SIF's 8th meeting in February 2020, in Basel and the virtual meetings in May 2020, contributing to the development of SIF's future work plan 2021-2023.

GFSC contributed to the SIF H1 report and provided an update on recent work.

In particular and at present, the Commission welcomes and supports the SIF/IAIS's draft Application Paper.

