



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 Commission indirectly mandates Green Funds

Green investments can now attract a regulatory discount for life insurers.

All licensees are required to consider climate change as part of the Code of Corporate Governance.

Supervisory staff have access to an internal Question Bank to help facilitate climate change supervision.

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

The Commission has added climate change to its Consumer FAQs.

As Chair of GIICS, the Commission has highlighted climate change.

The Commission has purchased land out of its own reserves to grow a forest. Employees have a green pension offering. The Commission has 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.

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

In particular and at present, the Commission welcomes and supports IAIS's draft Application Paper and the NGFS work on green/brown assets.

