

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

5th November, 2019

Proposition No.P.2019/104

Policy & Resources Committee

The States of Guernsey Annual Budget for 2020

AMENDMENT

Proposed by: Deputy L S Trott

Seconded by: Deputy H L de Sausmarez

To add a new Proposition 7A:

To approve a grant of £300,000 from the Future Guernsey Economic Fund to Guernsey Finance LBG to invest specifically in support of the development of Guernsey's green finance initiative from 2020.

EXPLANATORY NOTE

This amendment would seek to enable the development of Guernsey's green finance initiative during 2020. The finance sector and the professional services sector in Guernsey see green finance as an area where there is significant potential growth for the economy. However further investment is needed to develop the offer with momentum in order to capitalise effectively on this opportunity and **it is essential that this key initiative is seen to be supported by the States of Deliberation as a whole.**

Developing Guernsey's green finance initiative is one of the five objectives of the finance sector strategy agreed by Guernsey Finance, the Guernsey International Business Association and the Committee *for* Economic Development. In turn, the finance sector strategy is a critical priority in the Economic Development Strategy agreed by the States of Deliberation in 2018. That policy letter also clarified that the funding allocated to the Future Guernsey Economic Fund would be prioritised for investment in the critical priorities in the Economic Development Strategy.

The additional funding would be deployed by the Board of Guernsey Finance and its executive in order to achieve the following objectives:

- (i) to lead the development of green finance strategy, such as continuing the development of the institutional foundations, the investment environment, and the development of products and services required to make Guernsey a genuine global leader in sustainable finance;
- (ii) to participate in and support global policy and research to demonstrate our commitment to the cause of climate change mitigation and green finance;
- (iii) to ensure that stakeholder engagement and communications activity are sufficiently credible measured against Guernsey's closest competitors; and
- (iv) to fully maximise and exploit the global promotional potential of Guernsey in relation to green finance.

This would be a one-off additional investment for 2020 for Guernsey Finance. The Committee *for* Economic Development has requested that the Board of Guernsey Finance provides a funding plan for 2021-23 inclusive during the first quarter of 2020, given that the current funding arrangements come to an end on 31 December 2020. That funding plan should include a sustainable approach to funding the green finance initiative. The proposer and seconder of this amendment are fully supportive of that approach.