



Sustainable Finance Action Plan



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Foreword



Like people around the world, Jersey residents are concerned about the future sustainability of the planet. The Island has a relatively low environmental footprint in comparison to larger jurisdictions, but we remain committed to tackling the climate emergency at a domestic and international level, as illustrated by the [extension of the Paris Agreement](#) to Jersey in 2022.

At a domestic level, our commitment to tackling climate change is set out in the [Carbon Neutral Roadmap](#), which outlines the policies which will lead us towards being net zero. That commitment is also reflected in our [Strategy for Sustainable Economic Development](#) which sets a long-term vision for Jersey “to be a consistently high-performing, environmentally sustainable and technologically advanced small island economy by 2040”.

But it is as an international finance centre (IFC) that Jersey can make a much more significant contribution. The Island’s financial services industry, which is worth close to \$1.5 trillion, can support global change, and it is that ambition that this document addresses. The Island’s role as an IFC is to enable the deployment of sustainable capital around the world, either in the form of investments or philanthropy. The Island’s commitment as an IFC to sustainability was confirmed in 2019, in our [Financial Services Policy Framework](#), which included a pathway for Jersey to become a centre of excellence for sustainable finance.

This Sustainable Finance Action Plan builds on the work to date by setting ambitious but achievable targets to both enhance our risk and governance capabilities, and to capitalise on the opportunities which are available. Achieving those targets will require the coordinated actions of Government, Jersey Finance, the Jersey Financial Services Commission (JFSC) and the industry.

This action plan focuses on the next three years, but it would be realistic to think of the plan as just the start. There will be further steps required beyond 2027, and I am confident that all parties will continue to work together. This Action Plan, then, is the next step towards Jersey being a substantial supporter of regions and communities around the world as they progress towards Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other key international and national frameworks. It marks an important milestone in Jersey’s progress towards contributing meaningfully to the world’s efforts to transition into more sustainable economies and societies.

I look forward to this journey.

Deputy Ian Gorst

Minister for External Relations, with responsibility for financial services



Introduction

In March 2021, Jersey Finance launched an industry-led strategy [Jersey for Good – A Sustainable Future](#) which included a roadmap, to be implemented over the following years, for:

- raising awareness,
- promoting skills and
- developing, in collaboration with the [United Nations Financial Centres for Sustainability](#) (FC4S) Network, a better understanding of our own sustainable finance eco-system.

Later in 2021, the Government of Jersey reaffirmed its commitment to sustainable finance through the publication of the [Jersey's Financial Services Policy Framework](#), and, in 2024, through a [public consultation](#) on the extent to which a new policy and regulatory framework was required to build on all the progress made so far.

Given the overwhelmingly positive response received to the consultation, Government is now pleased to share a new Sustainable Finance Action Plan.

Its purpose is to build business capability and maturity in our eco-systems over the next two to three years. Our work, in coordination with other key stakeholders, will help future proof the financial services sector by:

- ensuring we bring everyone along this journey, giving businesses in the sector the time and support for them to evolve, reinforcing their risk awareness and operational resilience.
- protecting firms from sharp increases in the cost of doing business, whilst creating conditions for enhanced market access and market attractiveness.

Our proposed framework can be divided into three distinct areas:

- risk and governance
- market incentives
- international engagement

Our resulting action plan is then composed of ten key action points: five to 'protect' our finance industry and five to 'promote' its success.

This plan aims to put Jersey in a competitively advantageous position, leveraging its longstanding governance and regulatory pedigree (as validated by [MONEYVAL's 2024 assessment of Jersey](#)) and the Island's entrepreneurial track record, ready to respond to the evolving aspirations and needs of clients, investors and the wider financial services community.

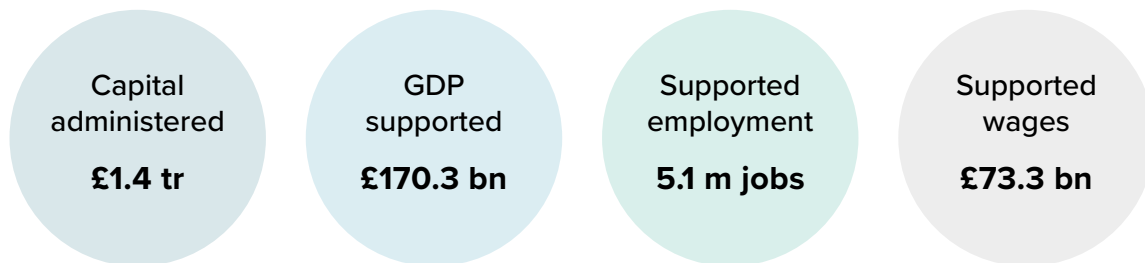
Jersey's Sustainable Finance Credentials

Financial Services

Jersey plays a specialist role as a hub of expertise and conduit of capital flowing from largely non-resident investors to economies around the world.

The average annual stock of capital intermediated in Jersey between 2017 and 2020 was **£1.4 trillion**¹, which supported £170.3 billion of global economic output (0.27%), 5.1 million jobs worldwide, and £73.3 billion in associated wages through Global Value Chains facilitated by the island, each year.

Jersey's finance industry is also extremely important to the Island's economy accounting for £1.92bn (37%) of GVA and directly employing 13,680 people, almost a third of private sector workforce².



Sustainable Finance Focus

Funds

It is estimated that Assets under Management (AuM) in ESG-oriented regulated funds reached almost 20% (c. £78bn) of total funds under management in 2024 with prospects³ for the whole of Jersey's fund industry's ESG-oriented AuM to grow to some £123bn by 2026.

As of June 2022, more than 729 Jersey-domiciled funds are managed by UN Principles for Responsible Investing (UN PRI) signatories, with an AuM of over USD 257 billion.

A report from Jersey Finance on the Role of IFCs in achieving the SDGs⁴ found 78% of all private equity and venture capital investments reviewed were found to contribute significantly towards SDG 13 – Climate Action.

Banking

Analysis of the SDG alignment of Jersey's banking sector by Jersey Finance⁵ has indicated that nine of the top ten banks in Jersey were found to have recorded a positive contribution towards both SDG 4 – Quality Education and SDG 7 – Clean and Affordable Energy.

¹ Centre for Economics and Business Research (2021) [JERSEY'S CONTRIBUTION TO THE GLOBAL VALUE CHAINS](#)

² Centre for Economics and Business Research - [Channel Eye - £1.4 trillion of capital is intermediated in Jersey each year](#)

³ PWC for Government of Jersey (2023) Jersey as a leading sustainable international finance centre: Building a Roadmap

⁴ Jersey Finance (2024) [FINANCING A BETTER WORLD: THE ROLE OF IFCs IN ACHIEVING THE SDGS](#)

⁵ Ibid

Private wealth

Analysis of Jersey trusts by Jersey Finance⁶ has shown:

- more than 50% hold assets that contribute towards SDG 1 – No Poverty;
- over 40% hold assets that contribute to: SDG 8 – Decent Work and Economic Growth, SDG 10 – Reduced Inequalities, and SDG 16 – Peace, Justice and Strong Institutions.

Next generation succession is driving significant reallocation of capital for social and environmental purposes. There's a growing focus on biodiversity and planet restoration.

Capital markets

Jersey has the largest number of FTSE 100 and AIM companies outside of the UK and these, together with Jersey companies listed on global exchanges, collectively hold a market capitalisation of over £237 billion.

The combined market value of admissions to The International Stock Exchange (TISE) Sustainable Segment, together with listings on the main TISE that have sustainable activities, is estimated to total more than £14 billion (as at the end of June 2023).

Finally, Jersey Finance also confirm⁷ that over 75% of Jersey-domiciled entities listed on TISE have been found to have significant opportunity to influence SDG 15 – Life on Land – primarily through exposure to the real estate and financial sectors. Understanding the impact of such allocations will be fundamental to solving the ongoing nature and biodiversity crisis.

International Engagement

The Government of Jersey, JFSC, and Jersey Finance have memberships or associations with (in no particular order):

- The UN Network of Financial Centres for Sustainability ([UN FC4S](#))
- The Network for Greening the Financial Services ([NGFS](#))
- The International Organization of Security Commissions ([IOSCO](#))
- The Organisation for Economic Co-operation and Development ([OECD](#)) - through the United Kingdom's membership and official declaration of the Island's association dated 19 July 1990
- The International Association of Insurance Supervisors ([IAIS](#)) and the Group of International Insurance Centre Supervisors ([GIICS](#))
- Through the membership of the Group of International Finance Centre Supervisors ([GIFCS](#)) we work with the Basel Committee on Banking Supervision
- Financial Intelligence links to the World Wildlife Fund ([WWF](#))

⁶ Jersey Finance (2024) [FINANCING A BETTER WORLD: THE ROLE OF IFCS IN ACHIEVING THE SDGS](#)

⁷ Ibid

Local commitment and work underway

- Extension of the Paris Agreement to Jersey in 2022 and development of a [Carbon Neutral Roadmap](#) committing the island to net zero greenhouse gas emissions by 2050 with the development of active schemes to help transition Jersey to become a carbon neutral society.
- Low carbon environment with electricity coming from French nuclear plants and current [national plans](#) to consider building an offshore wind farm in Jersey waters able to produce enough electricity to meet the island's needs on an ongoing basis.
- World class, internationally acclaimed Biodiversity [Conservation Trust](#), established in 1959 to save species from extinction by author and conservationist Gerald Durrell, and headquartered at Jersey Zoo. Durrell has also recently launched a [carbon balancing programme](#).
- Strong links to the [Taskforce of Nature-related Financial Disclosures](#) through its co-founder who is a Jersey-born and resident individual and a member of [Jersey Finance](#) Steering Committee on Sustainable Finance.
- 2021 implementation of [regulatory anti-greenwashing](#) Codes of Practice and raising awareness of Sustainable Finance through IOSCO's [World Investor Week initiative](#).
- Emerging training/consultancy/data analysis and practitioners' community represented by the [Jersey Association of Sustainability Practitioners](#) or the [Future Sustainable Finance Leaders](#) Group.
- Increased contribution in the sustainability field by well-established business and financial services representative organisations and associations, including, amongst many others:
 - › the [Jersey Institute of Directors](#)
 - › the [Jersey Chamber of Commerce](#)
 - › the [Jersey Bankers Association](#)
 - › the [Jersey Funds Association](#)
- Successful high profile Sustainable Finance awards and conferences including the Jersey Finance Sustainable Finance Submit, which includes the [Sustainable Finance Awards](#), and the Channel Islands [Sustainable Finance Business Conference](#).
- Network of high-net-worth individuals located in Jersey with experience and expertise in green finance and green tech development.
- Diverse range of green financial products available locally.



Strategic Priorities

Sustainable Finance Eco-system

This action plan includes ten strategic priorities to be implemented between 2025 to 2027. This section provides a brief explanation of each priority, and an outline of how and when they will be delivered.



1 Environmental Crime

We will reinforce our financial crime risk framework on environmental crime, including our range of predicate offences and the tools necessary for identification and reporting.

Through our cooperation with Jersey's Financial Intelligence Unit, we will work to facilitate corporate SAR reporting and the identification of predicate offences through guidance and enhanced engagement with industry.

2 Corporate Sustainability Disclosures

We will be one of the first IFCs to adopt a robust and proportionate disclosure framework, aligned to internationally recognised sustainability disclosure standards.

3 Sustainability Risk Management

We will embed sustainability risk management obligations within our regulatory framework, so that our financial services businesses, in line with the size and scale of their business operations, consider how to manage their sustainability risk exposure (including as to climate risk), therefore enhancing data analysis and operational resilience, ultimately helping to future-proof businesses for the benefit of our local community and the planet.

4 ESG Business Integrity Risk

We will expand our existing principles-based anti-green washing measures both at product and at corporate level to ensure business advertising and client services are transparent, well informed and substantiated in the field of sustainability. This way Jersey maintains an environment with high market integrity able to promote its services in a fair, clear and effective manner. This will also enable recognition of our pedigree sustainable businesses.

5 Market Access

We will robustly protect Jersey's financial services access to key markets and jurisdictions on a bilateral basis or through our network of international agreements.

6 International Engagement

This will include leveraging our inter-agency cooperation to maximise the presence and impact of our interactions with international partners and alliances, organisation and forums of interest. This will also enhance our engagement tools, ensuring Jersey continues to be part of the Sustainable Finance international community.

7 Fiduciary Duties

Given that our trusts law is flexible enough to successfully accommodate sustainable considerations in the exercise of fiduciary duties, we will support the development of client service excellence, reinforcing messages around legal certainty and sharing best practice as to how client aspirations may be better met. We will also promote the opportunities that our legal framework offers from a philanthropy point of view, with the use of purpose trust structures.

8 Skills

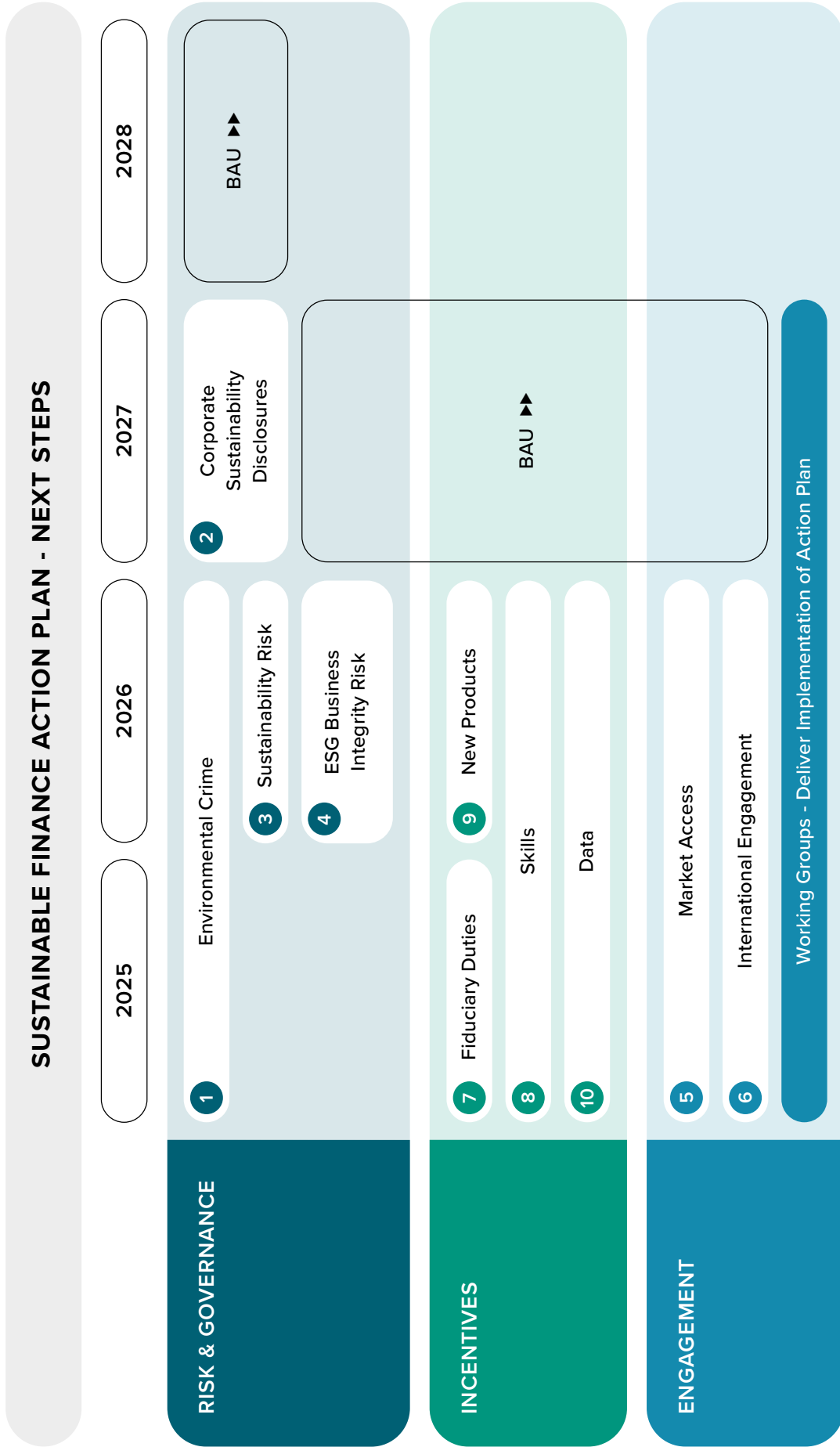
We will support the upskilling of our financial services industry to ensure better risk management, increased client services excellence and to ensure our industry can grasp the opportunities that sustainable finance can bring.

9 New Products

We will review our product suite and, where possible, develop innovative new products to maximise the attraction of sustainable capital (and the talent behind it). This will enable Jersey to increase its important role in the deployment of sustainable capital around the world.

10 Data

We will grow our sustainability data analysis capabilities at jurisdictional level using technology, including artificial intelligence. We will also enhance our cooperation with key local stakeholders, enabling us to provide richer analysis of our local financial services performance. Our data insights will ultimately enable us to spot market opportunities and better articulate internationally our substantial contribution to the sustainability of our planet and communities.





Economy

