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JERSEY FINANCE ROUNDTABLE 2024

All photos courtesy Gary Grimshaw - Photo Reportage



Above: (clockwise from top left) Nick Evans, Head of Office, Maples Group, Amy Bryant, Deputy CEO, Jersey Finance, Catherine Taylor, Chief Operating Officer, Rathbones Investment Management International, Matt Christensen, Partner, Rawlinson & Hunter Trust Co, Alex Wright, Roundtable Event Chairman, Mike Johnson, Chairman, Jersey Funds Association, Sarah Bartram-Lora Reina, President, Jersey Association of Trust Companies, Jill Britton, Director General, Jersey Financial Services Commission and Charles Molteno, President, Jersey Bankers Association.

JERSEY FINANCE ROUNDTABLE 2024

PARTICIPANTS:

- Alex Wright, Event Chairman (Business Journalist and former *Insurance Times* News Editor)
- Amy Bryant, Deputy CEO, Jersey Finance
- Jill Britton, Director General, Jersey Financial Services Commission
- Charles Molteno, President, Jersey Bankers Association
- Mike Johnson, Chairman, Jersey Funds Association
- Sarah Bartram-Lora Reina, President, Jersey Association of Trust Companies
- Nick Evans, Head of Office, Maples Group
- Catherine Taylor, Chief Operating Officer, Rathbones Investment Management International
- Matt Christensen, Partner, Rawlinson & Hunter Trust Co

Alex Wright: In an increasingly economically uncertain and geopolitically unstable world, what is Jersey's finance industry doing to weather the storm and maintain its position as a leading international finance centre? How is government protecting the economy and its citizens?

Amy Bryant: In times of volatility and uncertainty, IFCs like Jersey can offer stability. About 60 countries are going to the polls this year, which covers more than 50% of the world's population. On top of that, we've got a war in Europe, heightened tension between major economies and the ongoing impact of the pandemic.

The stability and certainty that we can offer here in Jersey becomes increasingly attractive in that context. That's both to our intermediary gatekeeper community and clients who are more concerned about the macro environment that they find themselves in.

In terms of the second part of the question, financial services is a critical component of the Island's economy, it provides jobs directly for more than one fifth of the Island's working population and contributes more than half of the Island's GDP. Within all of that, it's important that we play to our strengths, focussing on stability and certainty, maintaining them and not being complacent, making sure we're active in continuing to support those areas.

Collaboration is at the heart of that. There are three key stakeholders here – the industry with Jersey Finance, the regulator, JFSC and the Government of Jersey. Between us all, we're all working together to drive that collaboration going forward.

Mike Johnson: Jersey is not immune to the macroeconomic or political uncertainty, particularly the funds sector. It's always buffeted by global trade winds but it can also take advantage of them. The main impact on funds through the uncertainty has been

a slowdown in deals and funds that have closed.

Momentum is tentative at the minute, as a result of both higher RPIs and the elections. But as you come out of those cycles, history suggests that deal activity increases and more funds close, so Jersey's stability positioning should place it well for the growth curve when that arrives, as expected, later this year.

Matt Christensen: To my mind, the key is that we don't just look internally – we need to be, at all times, mindful of what is going on elsewhere in the world. We have done a great job at responding to various issues and now need to look for the opportunities and respond accordingly. We have a strong platform to do so, a stable jurisdiction and robust regulatory environment. This has allowed us to proactively respond to issues and by working collaboratively deliver solutions for existing clients and, hopefully, future clients. As an Island, we can be justifiably proud of the work we have done and the strong reputation we have. Preserving and enhancing this comes from continuing to work collaboratively – not just within the finance industry but with the community as a whole.

Charles Molteno: We are all aware that there's going to be ongoing volatility. As an industry and as a jurisdiction, our focus should be on excelling in our strengths and maintaining our high standards.

It's also about responding and adapting to changes without appearing panicked, ensuring our actions remain consistent and thoughtful. This approach is important for both us and our clients.

Looking ahead, we'll increasingly focus on positioning ourselves effectively so that whatever scenario we envisage unfolding, we are set up for, which is critical for our stakeholders.

Jill Britton: There are three areas that we need to continue to focus on to set the growth agenda.

First, we have to seriously think about our use of technology on the Island and actually how that helps with the ease of doing business. That's going to be increasingly important if we see further consolidation of IFCs. It will be a distinguishing factor for us and collectively, we've all got a role to play. It's also about how government might play their part to potentially incentivise technology.

Second, there is the understanding of our cross-border position. We need to look at what is happening elsewhere, how we position ourselves and how we cooperate and engage?

And then the third area is about our reputation. There continues to be a flight to quality and we've seen that through migrations into the jurisdiction. So we need to consider what quality means for us. Compliance with international standards helps protect our reputation. We must ensure that we continue to invest in the relevant international standards that support our reputation and competitiveness.

Sarah Bartram-Lora Reina: From a private client perspective, we have been engaging with our clients, given that there's a number of elections this year. So talking about how will it impact them and not panicking but speaking with intermediaries about the situation. We need to consider if their trust structures remain robust for the future or if they should be amended in some way, or creating new structures depending on what the political landscape will be in the jurisdictions that they're based.

Catherine Taylor: It has been a really volatile economic environment. But Jersey's strength is that we all work and collaborate together, so the trusts work with the banks, the banks work with investment managers and the investment managers work with trusts. There's all this interweaving, that if one is doing well or better than the other, the other will benefit from that because of the inter-sector flows.



Alex Wright: What have been the most significant challenges you have faced in terms of finance, tax, legislation and regulation over the past 12 months and how have you addressed them? Moving forward, what opportunities should Jersey's financial sector be looking to take advantage of?

Jill Britton: The challenge is that there has been a significant level of regulatory change of late. We all understand and accept that had been necessary as we prepared for MONEYVAL.

People are still absorbing that change and there's a period of transition to go through in the next couple of years.

Then we need to think about what the growth agenda looks like over the next period. We've now got the time, energy and resource to move onto things that we've had to keep on the back burner. We will continue to adopt a business case led approach to our activities.

We also have to think about the cost base of Jersey. We are now looking to finalise the fees review that we've undertaken with KPMG. What's evident is that when taken in isolation, any single fee doesn't tend to be the deciding factor. But when you put the holistic cost of doing business together in Jersey, that could be pivotal in terms of where business

is booked. So it is time well spent to examine that overall cost component and the alternative solutions for Jersey.

Catherine Taylor: The focus of the entire industry has been on getting over MONEYVAL. We had to prioritise that and, as a result, other priorities were pushed to one side. Moving on from that, we need to decide what the agenda is going to be for the next few years and what we are going to be able to focus on. That might actually uncover things that weren't given the focus needed in previous years. There are going to be some things that creep out of the

woodwork, that have lost out as a result of the intense resource allocated towards MONEYVAL.

The biggest problem now is resourcing and, because there is such a wealth of regulation, tax, financial and legal requirements, all the companies have had to resource much more.

Amy Bryant: There was a significant amount of time and resource put into MONEYVAL but it was rightly dedicated to preparing for that and getting ready. We are proud to be a well-regulated jurisdiction. It's what draws business to our shores.

In terms of another area of focus, as a jurisdiction, we've been continuing to give thought to how we might go about implementing Pillar Two. The vast majority of businesses will remain unaffected in Jersey and the current zero/10 regime will continue.

But from 2025, we will be implementing an income inclusion rule and a domestic minimum tax, so that's something that we've been focussed on over the last 12 months. Alongside that, with the introduction of those measures, we also need to consider what we could put in place around a compliant Pillar Two package of support, to ensure investment and ongoing support for





We've now also been able to turn our attention to the conduct and prudential side of our responsibilities. We've taken proactive steps to advance our framework in line with the Basel III standards on the banking side and we will engage and move forward on that.

Additionally, government has just put out a consultation paper on sustainable finance and we'll work with them and industry to agree a pathway forward. The global regulatory standards for sustainable finance are vast and there isn't a commonly accepted international standard. So I'm keen that we do not commit to a particular direction at this point in time, because we still need to have a level of flexibility in how we align.

our competitiveness as an international finance centre.

In terms of opportunities, our core success and strength is built on resilience and stability but also innovation. Innovation is critical for the future. We've got great historic examples of doing that well. The Jersey Private Fund product is a prime example, with more than 700 now. The LLC vehicle is a more recent example of something that has been innovative to serve a particular client base.

Sustainable finance is also going to be built on over the next period of time. Digitalisation and virtual assets are also vitally important. The last area of opportunity I'd draw out is private capital and the coming together of the funds world and the private wealth sector.

Nick Evans: The retailisation of funds is something that our global sponsor clients are all 100% focussed on and there is an opportunity there for Jersey to be part of that. That is the way the industry is definitely going. Pillar Two is, of course, a challenge but with every challenge there is opportunity. So, we've been working with our Irish tax partners, who've been looking carefully at Pillar Two for a few years and they believe there are some great opportunities for Jersey to fulfil a certain role for certain types of client.

In terms of potential growth in private equity investment activity, dry powder is up to \$2.5 trillion globally, over \$1.2 trillion in buyout funds alone. That certainly is a sweet spot for us with our unrivalled roster of global sponsor clients.

Alex Wright: What work has Jersey been doing over the last year to bolster its regulatory framework and financial stability?

Jill Britton: There's been a huge focus on anti-money laundering and countering terrorist financing and we're through the bulk of that change.

We've also worked with government to create a virtual asset service providers risk assessment. The framework that we've got in place at the moment allows flexibility but at what point do we need to have a more informed risk appetite for the Island that gives industry certainty about what is acceptable?

Mike Johnson: Other jurisdictions don't have a document and the fact that we've got one sends a clear message to those operating in that space that Jersey is focussed on digital assets.

Amy Bryant: One of the key things that





we talk about when we're promoting Jersey internationally is the strength of our regulatory system and the fact that we can be highly specialised in what we do here. We are an international finance centre but we have specific areas of focus. Added to that, we have a regulator that is set up specifically with the skillsets around regulating those particular areas that we've identified as being opportunities for the Island and it's important that we maintain and build on that.

Alex Wright: How has the funds and private equity landscape in Jersey evolved over the past 12 months and how has Jersey responded to ensure that it continues to meet the needs of fund managers and investors?

Mike Johnson: Our assets on administration stand at £520 billion at the last count, so that's relatively flat, year on year, when you take into account exchange rates. The key thing, however, is that there's movements within that and the main movements are hedge funds are up, which is what you'd expect with liquidity.

We've also got newer managers from the hedge fund arena in Jersey, so that has been a healthy, buoyant part of the economy in the last year. Jersey Private Fund is up 100 in a year, so that success

story continues and is a very healthy product and service that we offer.

Sixty-four percent of funds closed were with the top 10 fund managers. These are more mega managers, whereas Jersey's sweet spot is emerging and mid-market managers. So 2024 hasn't been a stellar vintage for the Island but Jersey is well-positioned for the next period of growth which will likely favour those mid and emerging managers again.

Nick Evans: Jersey has provided a great solution in terms of structuring taking place around existing fund structures.

We've seen continuation funds, GP-led restructurings that allow some investors to generate some liquidity, others to come in and also opportunities to co-invest. Fund financing has also evolved, looking more at utilising the assets within the fund. So we're seeing innovation in that area. Transactional solutions tend to be implemented in Jersey on a more flexible, speedy and lower cost basis than other comparable jurisdictions, even where core elements of the fund are not in Jersey.

Alex Wright: How have trusts been performing and what have been the key drivers?

Sarah Bartram-Lora Reina: There's still a demand for trusts as your wealth planning tool. The next generation that's coming through is very keen to see a good impact investing in sustainable finance. We'll see it soon, the change of that transfer of wealth between generations. The other thing is, with the political situations and the number of elections this year, that has also given rise to opportunities to create or restructure these structures.

Because of the regulatory impact and more added layers of cost, we will also see much more use of wealth technology going forward to service our private clients and bring that cost level down.





Matt Christensen: There's a real opportunity in private wealth to enhance our already strong reputation as a leading jurisdiction for private wealth services. We achieve this via continually striving to improve the client experience. Technology will, of course, be key to this.

In terms of the drivers for continuing growth in the private wealth market, there are several reasons why Jersey and trusts remain key pillars of the finance industry. The industry has successfully adapted to changes in wealth generation and globalisation. Tax neutrality, of course, plays a part but more than ever, international clients are looking to Jersey and trusts to deal with succession issues and wealth protection matters. Jersey's stability, legal and regulatory environment and comprehensive service offering availability combine to give high quality clients the service levels they require. Experience is also key - wealth transfer from generation to generation can be complicated. Jersey has significant expertise and experience to leverage off.

Alex Wright: **Jersey's finance sector continues to extend its global reach, with recent events hosted in the Middle East and South East Asia. What has been the outcome of this work and what is it doing to continue to attract business to its shores?**

Amy Bryant: Jersey Finance is proud to lead the promotion and representation of the financial and related professional services sector. So much of what we do is raising the profile of Jersey on the international stage but the ultimate aim of all of that is to draw business to the Island on behalf of our members and for the broader benefit of Jersey PLC.

So, over the years, we've undertaken market assessments to determine where, globally, there are clients that would benefit from the products and services we can offer from Jersey. This has broadly taken us to the GCC, the US, South Africa,

Kenya and Asia and of course, the UK is still our major trading partner.

We do upwards of 150 events a year and that ranges from roundtables through to large conferences attracting hundreds of attendees. In 2024, we'll do those across 16 different cities around the world. It's crucial that we use those as learning opportunities, as well, to understand the global market's needs and our extensive programme of roadshows and events is testament to that.

We use these events to try and understand how we can improve the quality of the service provision and product suite that we have here in Jersey. Many of the people that we're engaging with, when we're out in the market doing promotional activity, will already be well aware of what Jersey is and what we can offer. So, it's vitally important that we provide useful insights and value-add.

We use our events and promotional programme to showcase our thought leadership, because it's key to demonstrate to clients, not only that we understand what's important for them today but that, as a jurisdiction, we're focussed on what's going to be important to them in the future.

Recently, we've looked at things like the evolution of virtual assets. We've also



looked at the role of IFCs in achieving the Sustainable Development Goals and then we've looked at things which are more jurisdictionally specific, such as the needs and demands of the next generation in Saudi Arabia, for example.

Charles Molteno: As a participant in these events, we get broader exposure. Being part of the jurisdictional events led by Jersey Finance significantly expands our potential client base. It also allows us, as a jurisdiction, to showcase the depth of services that we have available to clients on the Island, which is well received. This enhances not only the jurisdiction's overall reputation but also contributes to individual deals, which adds value.

As we explore different jurisdictions, it's going to be imperative for us to think in a more focussed way, around how we deploy ourselves and try to engage with clients, who will have more choices. These events offer key opportunities for us to physically get in front of clients and talk to them, which is imperative in all of our industries, to have that personal

connection. They are ideal for that purpose.

Mike Johnson: With Jersey Finance, obviously we see them as the main promotional body and it's got the reach. In recent times, we've added offices in New York and Singapore, which are key centres for us, particularly where the managers are based. In the last year, we've also supported a big project they've done, which is with allocators, so actually getting close to the limited partners themselves, trying to answer their questions and learning from that.

Matt Christensen: It's not just all about promotion. It's about strengthening relationships and getting that messaging out about how robust you are and how you protect the tax neutrality. That's done by speaking to these new places, in collaboration with government, industry and the regulator, to get the message out to those who maybe don't understand what we do.

Nick Evans: What we've been trying to work on, particularly, is developing

this clear sense of explaining the circumstances when Jersey should absolutely be your first choice. It's not: 'We can do 100 different things that you're doing effectively elsewhere', it's 'If you're in these situations, these are things that could really help you'. If we can improve the product, create product features clients really find valuable, then that's a brilliant way to marry the product and service as we go.

Alex Wright: **As ESG and sustainability continue to come under increasing scrutiny from customers and investors alike, what is Jersey doing to ensure it remains a global, sustainable investment leader in the push towards net zero? What are the key challenges and opportunities this involves and what is it doing as to clamp down on practices such as greenwashing?**

Amy Bryant: The government have run, this year, a sustainable finance consultation. The response paper to that was released a couple of weeks ago. The response was largely in favour of pushing further ahead, being quite advanced as a



jurisdiction, when it comes to being able to offer a really positive environment for sustainable finance and what that might mean in terms of a government and a regulatory framework around that.

Jersey Finance just over three years ago looked at a strategy around what we should be thinking of for sustainable finance in Jersey. Our ambition in this space is that, by 2030, we'll be recognised by our clients, key stakeholders and other partners as a leading, sustainable international finance sector. That's something which is on the rise and we're on a journey towards that.

In October last year we celebrated the winners and the nominees of our Jersey Finance Sustainable Finance Awards. That allows firms to showcase the great work they're already doing in this space, in terms of work with clients around sustainability.

We've also launched a Sustainable Development Goals alignment tool, helping our members build their understanding of how the investments and the financed economic activities that their clients are undertaking impacts either positively or negatively on the UN Sustainable Development Goals.

One of the other things that we've done more recently is to launch a report which looks at the role that IFCs can play in helping to achieve the Sustainable Development Goals. It's a journey and we're on the way. Rightly, different parts of the industry will be at different stages of that and different firms within the industry will be too.

Sarah Bartram-Lora Reina: Certainly, in the private wealth space, we're seeing that many individuals are looking to upskill. Individuals are taking sustainable finance qualifications, because when you're sitting there with your families and, particularly that next generation, they know all the terminology. If you can't have a meaningful conversation, they're going to know straight away that you don't really understand sustainable finance, so we're seeing that.



Also, within our own trust companies, that next generation of employees has been far more involved with us through a sustainable forum here, which many of them are participating in and helping drive the narrative around that. We have also, between our members, collated views for the sustainable finance consultation and see it very much as an opportunity for our industry to be leading in that area.

It's also being careful about what we invest in and just being aware of, perhaps, how things can be shaped and look slightly different. So that's a challenge. Greenwashing has already been looked at in the fund space but it may be that it has to be looked at more widely.

Charles Molteno: It is a journey. We all understand the landscape and what it means for us. It manifests in what we see teams within member firms doing, at a more micro level, to how we're thinking about our overall footprints of our organisations. Are we measuring them? Are we reporting them? This will become increasingly important.

From a banking side, we've got a sustainability subcommittee within our association. While they don't claim to have all the answers, the enthusiasm

around this subcommittee suggests that member firms recognise its importance and are committed to growth and learning in this area.

Catherine Taylor: It's all about being ready for ESG and sustainability, so that, as clients' appetites grow and they embrace it more, we are all equipped with all the standards, regulations and servicing that we need to be able to deliver it to the extent the clients want.

Alex Wright: **What is Jersey doing to really establish itself as a hub for cryptocurrency and other financial digital assets? What are the new and emerging sectors is it looking to cater to?**

Amy Bryant: Within our risk appetite envelope, we have got much to offer to the virtual asset space, so it's something that we'd certainly be keeping an eye on. After all, we were the jurisdiction that had the first regulated Bitcoin investment fund, back in 2014.

We have a relatively small but growing community of cryptocurrency managers here because we have an ecosystem that supports them if they choose to be here and that's within our risk and regulatory appetite. What draws them here is our strong digital infrastructure alongside the



regulatory framework and the breadth of the corporate vehicles.

We've chosen to align to the term virtual assets, which is in line with the Financial Action Task Taskforce, as opposed to digital assets. If we want to continue to offer a product and offer a service in this area, we've got to keep pace, because it's a really dynamic and fast-moving area.

In terms of opportunity, the big one is around tokenisation of assets. Ninety percent of the funds that we have here in Jersey focus on real-world assets and one of the key trends we're keeping an eye on and we're being proactive around, is the digitalisation of real-world assets. So that's something we've got to be alive to, given the fact it's a big part of what we do in the funds' world.

Nick Evans: In terms of our UK inbound investment and financing practice, which continues to be a really active area for us, we've got a lot of UK tax-resident

Jersey structures and so clients are sophisticated enough to try to get the best of both worlds, so they can get the flexibility of the Jersey structure.

Jersey is a great place to establish an investment management structure and we may well see further manager relocation activity. We've got a great history of working with changing onshore conditions.

Alex Wright: In which global markets has the finance sector really achieved the greatest success in the past 12 months and which areas is it we're looking to capitalise on over the next year?

Amy Bryant: Over the last 12 months or so, we've really continued our focus on the GCC. We're seeing deepening relationships between Jersey and both the UAE and Kingdom of Saudi Arabia. We're also continuing to be active in South Africa, Kenya, Hong Kong,

mainland China and, of course, the work that we do in London.

I would just draw attention, though, to two key areas for us. Our newest presence is in Singapore. We're just over a year into having had a presence on the ground there and what we've got to offer in that region has been really well received.

Key to our messaging, particularly in Singapore – but this applies across the GCC as well – is that Jersey offers a centre for collaboration rather than competition.

So, if we think about what we're offering in Singapore, Dubai and the UAE, for example, while you might want to structure your local assets through your local finance centre, for your international assets, Jersey offers a really compelling proposition. The work we're doing in Singapore is really important for future-proofing our market diversification in that respect.

Also, it has been five years now since we've formalised a strategy for the US market, focussing in on alternative assets and US fund managers and this has definitely borne fruit. We've certainly seen an uptick in the flows of business coming from the US as a result and that's something that, given the environment we're in at the moment, I can't see changing. I can only see future growth coming from that region.

Catherine Taylor: We monitor, very closely, where Jersey Finance are at and where they're having success, because that feeds into where we're expecting to see clients coming, as well.

Watching to see what is on the horizon is what's important and how we can adapt to embrace that, because that changes the overall risk appetite of our businesses.

Alex Wright: **Given generative AI's inevitable widespread adoption, how has the Island's finance sector integrated this technology within its policies, systems and products? What is it doing in terms of cybersecurity to counter the ever-increasing threat of ransomware and other forms of cyber-attack?**

Catherine Taylor: We all have cyber risk at the top of our risk register. If you haven't been attacked, then it's just because you don't know you are being attacked. We've all had to invest significantly in this to mitigate that massive exposure.

As you've come through your career, cyber wasn't even in the vocab. But now you're hearing it all the time, you're using it and you actually understand what it means when they're talking about it, because it's what we have to deal with. It's not just what you do in your direct company but the third parties you're using. AI is the only way to counter it and that's what jurisdictions and governments are doing.

Matt Christensen: It's all about how you keep developing as a business.

The pace of change is only increasing and you need to be able to deliver on a broad range of projects to keep up. That's the challenge for a business at the moment and embracing the technological opportunities is the only way to make the progress required. AI will, at the appropriate time, play a fundamental role in this.

Nothing new here but data management is key. There is so much data within businesses now, across multiple sectors, that trying to manage, utilise and protect that data is proving a constant challenge.

So, it's all linked. The opportunities are available to be accessed but you can't stand still on it – it will need to be constant technology change.

Charles Molteno: Cyber is a top risk for us and means that we are constantly having to advance our capabilities. That's going to be the case forever, quite frankly and hopefully AI will play a role in this effort.

Many of us, certainly from a banking perspective, rely heavily on support from large group functions based elsewhere. This allows us to focus more on the phishing training and awareness as it's our people that represent one of the biggest risks when it comes to cyber. Bringing that bigger group capability and then marrying it with a focus at a local level works well for us.

In terms of the AI aspect, it's very much a journey. There's huge potential but I suspect we're very much still at the beginning of that journey. AI can be used for ongoing monitoring and reviewing of financial crime to provide tangibly useful intelligence that everyone can then use to manage that risk.

In the future, we can expect to see more tangible deployment of AI, in terms of risk management, client experience and internal efficiencies. So it's an exciting space but it's very much still evolving.

Amy Bryant: There are varying levels of AI adoption. Particularly when it comes

to generative AI in terms of financial and related professional services, its adoption within firms is linked to their general technology use, their client profile and risk appetite more broadly.

There's a great deal of opportunity as regards generative AI. Some firms we're seeing are embracing the external tools, like ChatGPT. Others are looking at putting in place internal, large language models and more bespoke systems, rather than using the public-facing ones. And others are adopting the likes of Copilot, which are public and private systems.

Also, the extent to which it's being used within businesses varies. Some are using it to help with internal administrative productivity type issues, with some going right to the other end and using it for client engagement and their client processes.

AI is going to help everyone, particularly on the productivity and people side. Also, generative AI is already embedded in a lot of the systems that we're using right now.

In terms of risk appetite, there are many conversations that firms are going to need to have and are having at the moment, around policies and procedures. Do you allow your staff to use generative AI? Do you allow them to use ChatGPT? If you do, what are the boundaries of that? What can you do around putting client data out there? You've got to be really careful. So, from a risk management and data privacy perspective, all of these things are really important. While using AI within your business feels like an exciting opportunity, you've also got to balance that with the risk side.

Jill Britton: We now have the Jersey Cyber Security Centre. In recognising the need to drive up the use of technology in the Island, this separate body to government supports a whole cross-section of Island businesses on cyber resilience.

This advisory forum provides guidance and works with businesses on incident management, which is going to be

JERSEY FINANCE ROUNDTABLE 2024

increasingly important for us all moving forward.

Mike Johnson: We, as a company (Gen II), have invested and continue to invest in AI, so we're already using it within the business. Many of the things that go out to our clients, AI can better check than a human. It spots for errors. So even the look and feel of the quality of your reporting can easily be checked by AI and it frequently is. Even with PCAP statements, it can check if there's a large variance from the last time it was reported.

You have bottlenecks in the year, that are seasonal, so if AI's helping, it can remove them and free your human capital to do the more advisory and value-add pieces of work.

Nick Evans: Maples was one of the first, if not the first, offshore law firms to start working with Harvey AI, the OpenAI-backed legal AI platform. This technology is already enabling our teams to take a creative and ambitious approach to legal service delivery, both in respect of existing workflows and in the delivery of new capabilities which benefits clients and deepens the value the firm brings.

And while we believe that generative AI will transform how we deliver legal services, it will never replace our lawyers.

The most effective work that we do in the future will combine the best of both people and technology.

In terms of cybersecurity, this is an ongoing strategic priority for us. We handle large volumes of highly sensitive data and our clients trust that we have the highest possible data security and protection processes in place. We continue to invest in this area and our dedicated global information security team who are focussing on identifying, monitoring and mitigating IT risks recently achieved ISO 27001:2022 certification for information security management.

Our procedures, as well as our technology, are continuing to evolve to meet new challenges in a rapidly changing landscape and our teams continue to train, plan and prepare for potential risk scenarios with cybersecurity being a constant focus.

Alex Wright: What is the finance sector doing to continue to attract and develop future talent, promote flexible working and also ensure greater diversity, equity and inclusion in the workplace?

Amy Bryant: As an industry, our people are our greatest strength. Maintaining that and ensuring we've got the skills

ready for the future is a key area of focus for Jersey Finance. It's one of our strategic imperatives.

We're building relationships across all of the secondary education settings in Jersey and that helps us speak to young people, who might or might not be considering a career in financial services, helps them understand what it looks like and maybe see that it's a route that is available to many people, not just those who are good at maths, for example. So it's about dispelling some of those myths that we all just sit behind a desk with a calculator all day.

We've got fantastic talent coming up through the Island and we want to encourage them to consider a career in finance. We offer a work experience programme called Life in Finance to help with part of that.

Once we've encouraged people to join the industry, we don't leave it there. We support them through our Future Connect programme. So this is for new joiners to the industry. It's a networking and educational forum.

We also showcase the talent through our Rising Stars Awards, so that people can identify role models and see where that talent is coming through, from a succession perspective.





Additionally, it's really important to support those who might be considering either a career switch into financial services or rejoining the industry after a period away. So we run a reconnect programme, here at Jersey Finance, to help, because it's a confidence builder.

Flexible and hybrid working is something that, post-COVID, we should also be taking advantage of as an opportunity to encourage those who are less economically active to consider a return to the workplace, because that flexibility will allow them to balance the different priorities that we all have.

Sarah Bartram-Lora Reina: As we've always done in the past, it's giving those opportunities for work experience, to allow students to see what we do and that's not just sitting by the desk all day long. Many of our firms continue to support professional qualifications and sometimes it stems from just doing your first one to moving into other segments, so many of our employees are qualified in a host of different areas.

This year we've introduced a next generation initiative for the Jersey Association of Trust Companies to give that mid-management level of staff those next skills for when they move up. That includes things like looking at horizon scanning, strategy, networking and that feel of a boardroom.

Charles Molteno: There's much more to offer in areas like banking than meets the eye. Although we have done a lot of work in this area, there's still more to do in terms of reaching out and getting our message across, because, despite advancements in technology and AI, unless we, as an industry, do not develop the necessary skills within our workforce, we aren't going to be able to take advantage of all opportunities available to us.

Nick Evans: We launched our new trainee programme a couple of years ago and while we have only been on the Island for five years, we quickly established a bursary scheme, which has offered a number of a local high school students the opportunity to gain experience at an international organisation.

We've always taken corporate responsibility seriously but we've taken that to the next level with our trainee programme, through which we've been actively promoting some of the benefits of Jersey, the quality of work and lifestyle and the balance that we offer. It has been a great message.

It has been a very rewarding process as we like to get more junior people involved in the training programme, establishing it, giving people a feel of management and mentoring others. We had a democratic system of voting for the candidates we wanted to pick and that helped to get people invested in the business.

In terms of diversity, equity and inclusion, we have folks from 19 nationalities, across our 16 locations. To guard against becoming complacent around how diverse we are as an organisation, we recently appointed a global head of DEI.

Alex Wright: **What is your view of the finance industry's performance this year and what plans are envisaged for the next 12 months?**

Amy Bryant: From a macro perspective, it has been a challenging year and there

are still challenges to come. Industry has needed very much to respond to that.

In terms of a future focus, we all want to maintain and grow as a jurisdiction. It's about trying to orientate ourselves to take advantage of the opportunities presented. That means investing in our people and technology and using it to our best advantage. It also requires focussing on productivity and enhancing the client experience.

We at Jersey Finance fully recognise that Jersey is a jurisdiction of choice, not necessity and so competitiveness, innovation and responding to client needs and demands are absolutely vital. Looking ahead, there's going to continue to be much change. So we need to place an even greater emphasis on innovation, respond to what clients are looking for and provide that frictionless service that must be at the heart of all we do.

Jill Britton: In the latter half of 2023 and into the first half of 2024, from an incorporation and authorisations perspective, we're back on trend following a subdued first half to 2023.

Jersey is holding its own and there's potential for more growth. We will have to focus on attracting quality into the Island. Ease of doing business and international engagement also have to be central to the agenda.

Charles Molteno: In terms of absolute numbers and especially in banking, we have been performing well and have experienced steady growth over a number of years. We need to continue to be prepared to continue to face the current challenges in a proactive and collaborative way. It's about working with that broad ecosystem of stakeholders to advance the Jersey narrative.

Sarah Bartram-Lora Reina: Now that we have made sure we are ready for MONEYVAL, our focus is very much more the external, so it's about getting out there, meeting our clients and speaking to intermediaries.