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Above: (clockwise left to right) Joel Hernandez, Vice Chair, Jersey Funds Association and Head of Funds, Jersey, Mourant, Alex Wright, Roundtable Event Chairman, James Gaudin, Managing Partner, Appleby Jersey, David Carswell, Managing Director, Corporate Services, Jersey, Hawksford, Jill Britton, Director General, Jersey Financial Services Commission, Joe Moynihan, CEO, Jersey Finance and Naomi Rive, Group Director, Head of Private Wealth, Highvern.

Jersey Finance Roundtable 2023

PARTICIPANTS:

- **Alex Wright, Event Chairman**
- **Joe Moynihan, CEO, Jersey Finance**
- **Jill Britton, Director General, Jersey Financial Services Commission**
- **James Gaudin, Managing Partner, Appleby Jersey**
- **Joel Hernandez, Vice Chair, Jersey Funds Association and Head of Funds, Jersey, Mourant**
- **Naomi Rive, Group Director, Head of Private Wealth, Highvern**
- **David Carswell, Managing Director, Corporate Services, Jersey, Hawksford**

Alex Wright: **As we continue to grapple with a host of global challenges, most notably rising inflation and interest rates, the cost of living and energy crisis and the ongoing war in Ukraine, what has been the impact on Jersey and its resiliency?**

Joe Moynihan: Rising interest rates and costs have had an impact across the entire Island. Costs have increased, which means costs to our customers have ultimately increased too. And it has also had an impact on staff availability as the cost of living crisis is making residency much more expensive and that is putting people under a greater financial pressure.

Then there's the uncertainty of where interest rates are going to end up. Are we at the end or midway through the cycle? That uncertainty creates concern, not only among our customer base but also within our businesses.

On the plus side, however, the increase in interest rates means that the banking sector now has an opportunity to make margin, which, at the end of the day, generates more profit and results in more tax take for the Island.

Another of the main positives is that investors are now much more concerned about stability and resilience than they might have been before, because of the global and macroeconomic uncertainty. As a consequence, jurisdictions such as ours, which have a long track record of stability and certainty, have become much more attractive. That geopolitical challenge has helped us in our global messaging too. But the bottom line is that, as a jurisdiction and an industry, we've been resilient throughout all this.

We haven't seen a decline in business as a result of these headwinds. If anything, we've seen business continue to grow in many sectors. That's a consequence of the stability of the Government we have here and the professionalism and quality of the individuals and firms within our industry.

It's also down to the high standards that we have set ourselves over the years, from both a legislative and regulatory perspective. After all, for institutional and international private investors, quality of regulation is really important.

James Gaudin: From my perspective, the engine room of Jersey's financial industry is the external real estate market, particularly in the UK. Most of the big assets are in London structures. As soon as there was a sniff of inflationary pressure and potential interest rate rises, that market really went off. The transaction flow off the back of London real estate has been nowhere near where it was six months ago.

In terms of local real estate, there's resilience in the development and commercial market. But we've also gone from 100 transactions per week to just 25, so that's a 75% drop in local residential.

Then the general concerns around cost of capital have meant that M&A activity has been down by 10% in volume and 20% in value globally in the first half of the year. We just haven't seen the same transaction flows in cross-border M&A activity. They're down, even from a weak and subdued 2022.

One shining light in M&A, however, has been the local market. CSPs continue to be bought and sold, either through trade sales or PE investment. That has been reasonably profitable. Regulatory and compliance advisory work has also been huge.

Additionally, we're not seeing too much restructuring. We haven't seen much of the sort of security enforcement work that we might have expected to see.

Joel Hernandez: Jersey's finance industry services is a significant amount of UK real estate work and I've seen some 'green shoots' in the form of overseas investors at the longer term value proposition. For example, I've seen a number of 100% equity deals in recent weeks, each £350-plus million, from overseas pension funds that don't need to rely on external borrowing. It's a positive sign and similar to the signs we saw in the post-financial crisis recovery period.

David Carswell: Jersey Plc continues to do well. From a corporate services team standpoint, we have been busy. We will have increased our team from 30 people to 36 at the end of this quarter. We have been successful in our recruitment but when we're looking at talent, it's really competitive in the market from trainee level, the whole way up.

Times are challenging for us all individually. To try to make working life better for our team, we've also moved to a hybrid working environment. There's now the added flexibility that allows the team members to work from home. It just provides an option and can help improve work-life balance.

Jill Britton: Transaction flows are continuing to come through. But there has been a dip in transaction numbers, both on the registry and regulatory side, particularly in terms of funds and incorporations.

But it really depends on the sector. For example, bank deposits and some fund values are up, while Jersey private funds (JPFs) are also up year-on-year. While some may have benefitted, others have retracted.

We've still got a few headwinds to overcome this year and moving into next year. But the industry is well placed to come through.

Naomi Rive: Over the years, we've looked at different sectors as an Island and thought 'Does Jersey want to continue to invest into this sector?' Ultimately, however, we have settled on being a diverse financial sector and now in both private wealth and funds, attract a lot of private capital money, which helps

to keep the industry buoyant in times like these when other transactional profiles may tend to dip slightly.

Alex Wright: What have been the biggest emerging challenges in terms of finance, tax, regulation and legislation over the past 12 months, how have you sought to tackle them and what opportunities should Jersey's financial sector now be looking to capitalise on?

Jill Britton: International standards will continue to change and evolve. I believe that all of us would recognise that as a core principle.

Jersey continues to do international business by remaining in compliance with the relevant international standards. By being able to consider which standards are relevant to our industry and applying them and leaving those that aren't applicable, we have a big advantage over many of our competitors.

Over the last 12 to 18 months, there has been a significant evolution of our regulatory framework to ensure that we continue to meet international standards in the fight against financial crime. That's in part because international standards have moved on too.

That will also ensure we're well-placed for a MONEYVAL assessment later this year. Some of the challenges around that, however, are the complexity in those regulations. It takes time to work through and understand that complexity and, therefore, embed it in the businesses here. And if you've got a huge raft of changes, the ability to consume that level of change within the businesses adds another level of complexity.

We've also seen some major tax shifts. And, again, with those standards and the Pillar 1, Pillar 2 and substance rules evolving, all of that requires businesses to respond accordingly in embedding them.

We're in a unique position, however. Because we are a small jurisdiction, our key strength is our ability to get round a table at short notice and review, explore and work these matters out. The ability to get Government, industry and the regulator together at once is a key selling point that we can continue to leverage.

We also continue to look for emergent standards. For example, what does the use of AI and robo-advice mean for us?

Where does that leave us in terms of regulation? What about sustainable finance? Where do we really pitch ourselves? What's the opportunity that we have? Do we lead on this? Are we fast followers in other areas?

Joe Moynihan: A huge amount of work has gone on with Government and the regulator in preparing the industry and making sure we get an outcome that's acceptable to all of us.

Government has done a fantastic job with the International Tax Policy team and their involvement at OECD level has been really helpful. There has also been a group of industry experts and Government tax experts looking at the potential implications of all the options that were considered.

But, at the end of the day, we all have different objectives. The regulator's key responsibility is to ensure that we meet international standards. Government dictates policy. And industry, while it follows both of these, still ultimately has to make money.

We don't always agree. But that's a good thing, because if we did then that means someone isn't doing their job properly. So, we need to get to a position where we can satisfy government policy priorities and international regulatory standards, while still providing an opportunity for our industry to continue to thrive.

Also, from an OECD tax perspective, we now have much more certainty than we did 12 months ago. That helps our international clients as well as our businesses here.

Between Government, the regulator and the industry, extensive efforts have been undertaken to implement policy, legislative and procedural changes, ensuring that Jersey is fully prepared for the MONEYVAL process. These changes are extremely important for us too. Because of the quality badge we promote for Jersey, we have to ensure that we meet these international standards.

James Gaudin: The contagion through the US banking system earlier this year was a massive issue and we watched that very carefully. What happened with Credit Suisse was very concerning in the macro environment. But we worked through all that well and, thankfully, avoided another global financial crisis.

Jersey also seems to have moved away from that negative bias towards offshore. That may be because there are other broader considerations, such as a European land war. As a jurisdiction, that move away from negative offshore bias is testament to all the hard work that we've been doing.

David Carswell: It has also been good to be able to sit around a table and consider the recast Prevention of Crime Law at the working groups that have been set up and the conferences held. Industry has got together to discuss these matters so that Jersey Plc could come up with a collective understanding and approach.

Over the course of just under six months, there was a more common understanding and interpretation evolved of the recast Schedule 2, which meant that, as an industry, we're all interpreting it in broadly the same way. When we're having to register entities and then starting to provide AMLSP services to those in-scope entities, it is important that it's consistent across industry. It was an impressive collective effort, which is something that you wouldn't necessarily get in a larger jurisdiction that isn't so collaborative.

Alex Wright: How has Jersey been doing over the past 12 months as it works towards further enhancing its regulatory frameworks and financial stability?

Jill Britton: In the last 12 months, we have undergone regulatory change like never before. There has been the introduction of the Jersey Limited Liability Companies (LLCs). We've had changes to the Money Laundering Order, where, for example, we've brought senior managers into regime. We've also expanded our responsibility for non-profit organisations and virtual asset service providers. And we've issued guidance around digital identity too.

We've also published consultation papers over the last two years that are basically a 10 year concentration of what we've previously issued in a two-year time period. Some of that has been around opportunity, so, for example, the LLCs are based on opportunity in the US market. Some is to stay aligned with international standards. Now we have to take stock of all that

change and ensure that it's well embedded before there is any substantial further expansion of that.

We have also shifted some of our focus onto considering financial stability. That's across the spectrum of financial institutions. Banks went on a journey a number of years ago and their capital requirements put them in a good position.

But, we've also got some large fund service businesses and trust company businesses, which, if there wasn't that financial stability there, it could have a very negative impact on both the reputation of Jersey and our community, as many people are employed by those institutions.

Over the next 12 months, we've got some big changes to implement in the AML/CFT space. We're in the midst of a transition period on registration with regards to directors and family office and that'll see us through to the end of September.

There is a consultation out at the moment by Government to expand the consumer, lender and protection conduct side of that, which will bring the conduct part of consumer lending potentially into our remit over the next 12 months, which will be a big shift.

ESG will also continue to evolve and much of that will be led by investor demand. In light of that, we need to think hard about which framework we want to align ourselves with or do we even want to align ourselves to a particular framework in the first place?

A third area of consideration is pensions. That means potentially expanding our remit into the pensions space.

James Gaudin: When we started in Jersey in 2002, one of the factors that most frustrated us was the pace of change being too slow. But, to be fair, the industry has done an amazing job. I welcome the engagement and change that has been brought about. It has helped us to be a much more agile business.

Naomi Rive: Businesses have focussed far more on the quality of their data too. When we first started with regulatory data reporting, we had a huge challenge ahead of us.

But now we have come through that it positions us much better to deliver on all these regulatory change requirements. It wouldn't have been so easily achievable, however, before we went through that exercise.

Joe Moynihan: We've all been through an enormous amount of change and consultation over the past 12 months. The difficulty, however, is that we're seeking information and feedback from industry members who are really busy doing their 'day-job'.

The worry is also that if we have too much consultation, something will get missed. Can we manage the consultation flow?

Thankfully, though, industry understands the need for consultation and welcomes it. If we want to continue to play in this game of international financial services, we have to find a way of continuing to meet those ever-evolving standards.

Alex Wright: Private funds continue to remain one of Jersey's strongest growth areas – how has it achieved this and how does the recently introduced LLCs enhance the JPF regime?

Joel Hernandez: The most recent figure for Jersey assets under administration has surpassed half a trillion pounds, with private funds continuing to increase year-on-year. It's one of Jersey's big success stories.

Ten years ago, there were more fund managers concentrating on funds with 50-plus investors. However, many managers are now opting to raise funds from a smaller group of investors with larger tickets and this is where JPFs fit in. The reality is that it doesn't take too many investors to raise half a billion or a billion-plus pounds for some of these funds nowadays. It plays in a really nice space as the fund market contracts to less and less investors but more and more capital.

David Carswell: The flexibility of JPFs was one of the key points that came out of the conversations that I had inhouse. The LLC was brought in to attract US markets in the form of managers and investors, principally because of their familiarity with LLCs.

Naomi Rive: I've sat on various working parties over the years, looking at potential new products but Jersey has, in the past, been quite reluctant to introduce new structuring products. That's because as an Island we guard our reputation closely and tend to prefer tried-and-tested products.

But JPFs are extremely versatile across multiple sectors. The work we have seen to date is just the tip of the iceberg and I anticipate we will see considerable growth in enquiries from family offices who are now becoming very interested in the JPF market too for family capital investment. As a result, we're starting to see great synergies between our private wealth clients and funds clients now structuring family assets through JPFs.

Alex Wright: What is Jersey doing to attract other business from across the globe to its shores?

Joe Moynihan: Strategically, Jersey took a view many years ago that if it was going to be an international finance centre, it needed to be truly international and couldn't sit and wait for business to come in, primarily, from London. It needed to expand.

That started the discussion about overseas offices. One of the key advantages that we have is our breadth of overseas offices, which helps us push the message in our target markets. We have representation in Shanghai, Hong Kong, Singapore and three people in DIFC. We also have a presence in Johannesburg, New York and two people in London.

They speak to key individuals, lawyers, fund managers and banks on a daily basis to continue to promote Jersey. And we have a different message for different markets. Our proposition in the US is totally funds-focussed. Our message in the Middle East in the past has always been very much about private wealth, family office and family structuring. But we are now beginning to see more interest in the funds product too.

For us, that unique breadth is really important because our people on the ground are constantly promoting the Jersey brand in our target jurisdictions. We organise in-region events to provide a platform for member firms interested in those specific markets. At these events, they can meet our team and get introductions to key individuals and firms in the market.

This week, for example, our business development team was in Jersey and they ran various community interest group sessions. Anybody interested in a specific market was given an update on what was happening and met our team on the ground, who identified potential opportunities and answered their questions.

Much of the investment in promoting Jersey has come from Government because they understand and appreciate that we need to continue to get our message out onto the global stage. Just because we have a flow of business coming from a range of different jurisdictions, that doesn't mean we should take the foot off the accelerator. Because there is so much competition for that business, if we ignore a market that we've committed to, we'll find it will be quickly gone.

For me, it's a combination of the Government's support strategy-wise and the work that Jersey Finance has done over the last 20 years and since our first overseas office was opened 14 years ago, which has led to our success. We have also had great support from member firms for the overseas work. So, there's no point in us sending one of our people out to tell everyone how great Jersey is if we don't have industry supporting us and, as opportunities arise, delivering the high quality services essential in these markets.

James Gaudin: We're also a substance jurisdiction: we're mature, we're sophisticated and we've got great people on the ground. Those people look at all the intelligence and work out where we need to be.

We also get into the markets early. We're lucky that most of the participants in the market are multijurisdictional, so that the throughput of intelligence is good and we're quickly able to jump on opportunities.

Naomi Rive: One of the key themes to come out of the roundtable is around diversification. The finance sector is resilient because we're diversified. But we're also diversified in terms of the jurisdictions where we look for business.

Alex Wright: As the climate change agenda continues to come into sharp focus, how is Jersey establishing itself as a global ESG and sustainable investment leader, what are the key challenges and opportunities this brings and what is it doing to prevent activities such as greenwashing?

David Carswell: We're very aware of greenwashing. As part of our client take-on process, we continue to be conscious of people coming to set up structures in Jersey with one of their primary goals being stated as ESG.

We need to continue to ensure that our client take-on process is robust and we ask all the right questions. We do not only listen to what has been said to us on the face of it.

Our client take-on process has got increasingly tighter, with more questions, more structure and advice and understanding.

It's not just about an offering being described as a sustainable or ESG product or structure but understanding why it is and what the key benefits are.

Joe Moynihan: We did some research a couple of years ago with Equilibrium Futures on sustainability. We talked about a sustainable future but covering all of ESG. As a jurisdiction, we have been strong on the G (governance in ESG) part. But what do we need to do, what's happening globally and where can we position ourselves with respect to ESG as a whole?

We initially had a two-year roadmap with an objective to be known as a sustainable finance centre in the markets where we operate by 2030. Off the back of that, we had a discussion around whether Jersey is sustainable. It's not just the industry, though. You can't have a green industry and a grey Island. That has resulted in discussions with Government about their sustainability programme and plans.

That's an ongoing piece of work for us. Part of it is identifying what the main issues are and educating the industry as much as we can about them.

As far as standards are concerned, from the outset, we have avoided saying 'This is a Jersey-approved green product', because our collective view is that is a recipe for disaster, especially when you see the US regulator fining some of the biggest fund managers because their 'labelled' product wasn't actually a green product.

With the expertise within the industry, you'll get firms adopting the most appropriate global standards as they emerge. And there will be a requirement driven by the regulator or Government, in terms of what the regulatory reporting requirements will be.

Jill Britton: The regulatory framework is evolving now and will continue to do so. We had the Anti-Greenwashing Disclosure Requirements introduced in 2021. We're looking at a new edition of that later this year in terms of climate, so there will be an expansion of those requirements. But many of the businesses, investors and clients will actually drive the pace of change themselves.

James Gaudin: That's exactly the point. Years and years ago, we were doing a few ESG facilities for fund finance transactions. But the market sets the tone for those transactions. We've done many carbon offset ETFs for a long time before ESG came onto the agenda.

Naomi Rive: Looking at it from an employer's perspective too, it really resonates with the next generation of our staff as well. Within every business there's going to be a body of people that want to take up the mantle, form the ESG committees within their business and support initiatives such as Alternative Transport Week.

It's great to see these initiatives. When we are interviewing, prospective staff also ask about ESG, they want to know what our policies are around this and what ESG means to us as a business? So it's going to be a big differentiator.

But, it is also still early days in terms of bedding ESG down into the finance sector and we need to move at an appropriate pace. I sat on a working party earlier in the year, looking at amendments to the Trust Law in terms of the duties of investment and, as the discussion progressed, many of us became more cautious about codifying ESG. This was because of the risk of creating unintended consequences and because it means something different to everyone.

Alex Wright: Jersey's finance sector achieved record investments in 2022, driven by hedge funds, which grew by 24%. How was this achieved and what work is being done to develop this and provide other investment opportunities to fund managers and their clients?

David Carswell: Generally, markets were a bit quieter during lockdown, when there wasn't the opportunity to travel, so people were to an extent keeping their powder dry. As travel increases, though, so has people's cross-jurisdictional business.

For Jersey overall, it comes back to expertise and the quality of the offering – in terms of the service and governance, investments and the investor base – and flexibility. Everything that we've been speaking about in relation to JPFs rings true for the hedge fund side too.

Joe Moynihan: There has been a flight to quality from the investor side too. They're the ones who ultimately decide where the money goes and funds are established. And where Jersey has positioned itself as housing some of the world's biggest private equity funds, there's that flight to quality. That also explains why many investors are putting their money into those funds.

But, also, liquidity, in terms of allocation, plays a big part. This has an impact on the growth we have seen in bank deposits. Hedge funds are typically more liquid and liquidity is key at the moment.

Alex Wright: In which global markets has the finance sector achieved the greatest success in the past 12 months and which areas is it seeking to capitalise on over the coming year?

Joe Moynihan: Looking at it from a high level, London still remains a significant source of business for us across the board, because, even sometimes if it's advice being provided out of London, that often results in business here. So London is critically important to us and we do a lot of work on a continuous basis making sure that the brand is well-understood there. If there are changes happening within the market, we

make sure that key individuals understand it. But, most of our firms here will have really good relationships with many counterparties in London.

Internationally, the GCC is the biggest source of new business, certainly in terms of value and we're also seeing a strong flow of business from the US. The other markets are still important. But they're the three key ones for me.

Naomi Rive: London is still extremely important, in terms of workflow, for us. And it's going to be very interesting to see the challenges that lie ahead in terms of the UK elections. We've had that challenge in the past and it remains a big area of concern.

That's going to be a big focus of Jersey Finance over the next 12 months. There's much work to be done at the moment, with high-net-worth residents moving into the UK along with private equity and other professionals. All of whom have legitimate structuring needs. It's going to be a real shame if that work falls away.

There's also a fair degree of work coming out of Switzerland recently, just because many family offices are choosing to base themselves there. That's great because they like to use Jersey trusts for structuring and we still do much work with Swiss asset managers.

Also, we shouldn't forget the markets that are closer to home. They tend to know us better and respect the regulatory work we've done over the years. That's still very good work on our doorstep.

By using vehicles such as private trust company structures as the framework for their family office, very often, we have the family office employees operating within a structure that we administer from Jersey. They're the best of relationships for us because we work alongside the families. We can then help if they want to get involved with JPFs and the like.

We've still got a long way to go, however, from a private wealth perspective, in being able to service the mainland China market. That's because here are language, tax and legal issues. It's so culturally different too.

James Gaudin: We've been keen to crack the US for some time now. And we seem to be doing it in two main areas: on the fund and the structured finance side.

There's a wonderful example here of how we've done so well since US CLO managers were looking to move their structures over here. There has always been big competition amongst the offshore, onshore and midshore jurisdictions. But because of the response of industry, the knowledge across our global networks and the way that the regulator dealt with it, we were able to provide service-level agreements' timings to the US managers, who were nervous about trying new jurisdictions. As a result, we won the mandate. That has been a real game-changer for us.

In terms of the Middle East, we have an office in Shanghai. So, again, we're seeing far more traction in that part of the world as China comes back online.

Looking forward, there are still restrictions on moving capital from India. Foreign wealth funds in India will start to drive the pace of change there. I marketed the Jersey Finance proposition there 10 years ago and we never really got the traction we hoped for but that's all starting to change.

Joel Hernandez: The fact that Jersey has progressed ahead of the Caribbean jurisdictions is a positive for our finance industry. Where Jersey really excels is in attracting the rest of the world's investors to our products. The Caribbean badge has been tarnished over the last few years and Jersey has benefitted as a direct result.

Jill Britton: We've certainly seen a redirection of business from Cayman to Jersey, particularly through registry.

David Carswell: On the structured finance side, the number of CLOs that have been coming to Jersey from US managers has been huge throughout 2022 and into 2023. New York and other US managers and lawyers obviously speak amongst themselves.

We've serviced US-based clients for years in terms of their Jersey structures and UK and EU deals. In the last few months though, these clients have been speaking with us about US deals as well because their US deal teams have started to hear more about Jersey. Early days but definitely positive news for us all here.

Alex Wright: With the advent of AI as well as increasing cybersecurity threats, what is the Island's finance sector doing to improve its technological capabilities in terms of digital innovation, fintech, product development and online security?

Jill Britton: Digital transformation is a core anchor to our strategy. It also needs to happen in order to support some of the resourcing challenges that we are facing.

Back in 2022, we engaged with a regtech company to do a review on the barriers to adoption. It found that 78% of Jersey firms believed that regtech tools are increasingly necessary for achieving compliance. And 80% said that they are confident that they'll be in a strong regtech position within the next five years.

But it also found there were numerous challenges in that transition. For example, how do we get legacy systems to talk to each other? What level of investment is required? There's fear of not really understanding what's in the market and, therefore, a fear of making a large investment and not necessarily getting the key benefits from it.

That said, we have got an action plan in place in terms of digital acceleration. We are working closely with Jersey Finance, Digital Jersey and Government in accelerating our plans. But, in doing so, it has thrown out some key considerations and challenges for us.

For instance, if we've gone from a neutral position on the adoption of technology to a positive stance, particularly in regtech, how do we upskill to be able to understand, assess and manage some of the risks in businesses? That will result in an expansion in supervisory teams with respect to IT and cyber in the short to medium term.

Ultimately, there are heaps of opportunities in this space for us but there are also new and additional risks. It's how we balance, manage and evolve at the pace that industry needs us to do in order to support them. We've got to embrace it. But we've got to do it in a way that protects our consumers, businesses and reputation.

Joe Moynihan: We're working with JFSC and Government on a number of different issues. In terms of our fintech strategy, we're looking at two key areas. One is improving the customer experience and that covers all aspects of customer interaction, including customer take-on. The other is around efficiency and productivity and that's where AI comes in.

I said a number of years ago that we can't continue to grow the industry by throwing people at it. And that has come to the fore in the last couple of years because the people aren't there anymore. We've got to be more efficient and productive. But equally we can't tell businesses what to do. All we try to do is make people aware of what's available to them that may resolve some of their problems.

Joel Hernandez: There has been significant press coverage about AI – it's a topic that's provoking debate in the workplace. We've seen some vendors introduce generative AI-based tools, for example, contract management platforms or platforms that can analyse huge volumes of data. They all look promising and they will no doubt create efficiencies in many industries, however, the golden rule still stands: no technology should be relied upon blindly.

Alex Wright: As it continues maintaining high levels of expertise and enhancing the skills of the future workforce, how is the finance sector aiming to attract and develop future talent, whilst also ensuring greater diversity and inclusion?

Joe Moynihan: We did some work on that last year and produced a report called Future-Fit Workforce. We had great engagement from industry and feedback on all the issues and we tried to look at it as broadly as possible. We were looking at new entrants, as in school leavers and graduates and how do we attract more of them into our industry.

But we also looked at the high levels of people on the Island who are highly qualified but aren't engaged in the workforce. The report highlighted issues around nursery education, parking, childcare and a raft of other issues.

The report ended up with a host of action points and initiatives. And we have taken many of those away and discussed the policy issues that concern Government, many of which fall within their control.

There is also a supervisory board that we report to on a quarterly basis and that includes several ministers. So, hopefully, that means the key items that we've identified will be given due attention and acted upon.

Naomi Rive: Many of the key issues including ESG, COVID-19 and changes in the workplace are playing in our favour as well. It's difficult to go into any school and explain finance, trusts and private funds to a classroom of 16-year-olds. But we've got many students in our office at the moment who are principally after a summer job and some money.

That's a great way for them to experience that our offices are quite cool places to work with many having sushi-bar style

breakout and leisure areas. They also see that we offer flexible working and time out for community projects.

A lot of these initiatives have developed since COVID and many of them are resonating with the next generation of workforce and they're starting to realise they live on a lovely island and there's an industry that can provide them with a good means of supporting their lifestyle here.

Joel Hernandez: One encouraging development that we've seen more of is businesses offering more traineeships in the finance sector. This allows the next generation to start their career directly in the finance industry and also study for their professional qualification at the same time. It's very pleasing to see such a huge take-up and to see the talent retained locally.

Jill Britton: We have also had many challenges with resourcing. We've reconciled that now and operate an alumni concept, where someone is with us for three to five years and then goes out in industry, where they get another three to five years' experience and then come back to us with an even stronger and more rounded skillset.

James Gaudin: Whether you're talking about attraction or retention, the cultural piece is massive. So we have put culture at the centre of everything that we do, making sure people feel empowered but accountable and they have the flexibility to do what they want. So we're not losing those people in the way that we would have done in the past.

Previously Jersey was an easy sell to a London lawyer. But it's not the case anymore. The financial gains just aren't there, even for some of the provincial lawyers.

Jill Britton: In terms of diversity, we've got a 50/50 split of males and females. Our board is split. Our executive is split. We continue to see change and people are more conscious of diversity and inclusion now. That's a positive, because if someone is conscious about the issue, change can come from that.

Equally, what's driving much of this is the disclosure requirements. Even though something may not be mandated by law, there's a component of peer pressure that's driving disclosure.

And then if you look at annual reports now, in terms of diversity and inclusion, there are sections about being more transparent and explicit. That's driving the agenda and, ultimately, a positive outcome.

Alex Wright: What is Jersey's finance industry doing to maintain the Island's position as a premier international finance centre and what differentiates it from other jurisdictions?

Joe Moynihan: This jurisdiction is all about quality. It has a highly professional industry, is well-regulated and has a supportive Government. We offer stability and certainty.

It's also about being aware of what's happening in other jurisdictions, product-wise and opportunity-wise and what jurisdictions we should be playing in. We have a strategy and research team here that look at the trends, what's happening, where we should be and where the opportunities might lie in the future.

For me, the key is not to be complacent. We operate in a highly competitive market. But we have to stay relevant and meet the standards that we have set ourselves. And we have to continue to deliver on an ongoing basis to our global client base.

It's all very well Jersey Finance saying how great we are. But, as I have said before, it's when the 'rubber hits the road' that's most important: when people come in to talk, get legal advice and then talk to the service providers. If we don't all deliver, we're wasting our time. Thankfully our industry has a long track record of delivering quality.

David Carswell: We need to keep Jersey adaptable. Look at the most significant changes over the last few years. FATCA, CRS, the Economic Substance Regime and recast Schedule 2. All of these changes will stand Jersey in good stead from a reputational perspective internationally.

Part of being a quality jurisdiction also means attracting quality clients. And keeping Jersey at the forefront of international standards and making sure that we're a top-regulated and run jurisdiction means we'll continue to attract quality clients.

Naomi Rive: If you personify the offshore world and are looking for a trusted advisor, people will often think of Jersey. If you're doing a big transaction and you have an offshore component to it, people are going to think, let's get a Jersey firm on the phone, because they know what they're doing: there's depth, substance and certainty. We just tick all the boxes that make it easy for people when undertaking complex transactions.

Alex Wright: Finally, could you give your view on the performance of the Island's finance industry this year and what plans are in the pipeline for the next 12 months?

Joe Moynihan: Despite all of the challenges, we're in a strong position. That's down to the quality of the industry, the professionalism of the participants, the support of Government and the job the regulator does.

We continue to do what we do well. We ensure that we meet the regulatory standards. We ensure that we promote the jurisdiction, from a reputational point of view and we stay in the game in all the areas where there are new opportunities for us.