



## News Release

8 December 2009

### **Guernsey's Chief Minister questions onshore/offshore divide**

Guernsey's Chief Minister, Lyndon Trott, has told a major London conference that the Island should not be 'dismissively' compartmentalised as an offshore centre.

He was speaking at [The Future of Onshore and Offshore Financial Centres Conference](#) alongside Jeffrey Owens, Director of the Centre for Tax Policy and Administration at the [OECD](#) and Michael Foot, Chairman of the [Promontory Financial Group](#) and author of the recent [HM Treasury](#) commissioned [report](#) into the British Crown Dependencies and Overseas Territories.

The Chief Minister said the onshore/offshore distinction was outmoded in the modern globalised economy.

Instead he highlighted the Island's position in the [Global Financial Centres Index \(GFCI\)](#), in which, in September this year, Guernsey was ranked 15th in the world.

"For a small Island with a population of 62,000 people that's something we are immensely proud of. Although we are small in terms of land mass and population – we punch above our weight," said Mr Trott.

"That places us in the top bracket of what are referred to as offshore finance centres – and ahead of so-called onshore centres such as Luxembourg and Dublin."

Mr Trott said it was a reflection of the Island's mix of talent, independence and natural assets and maturing financial services industry, and also a reflection of an important and increasingly-recognised link to the City of London.

The recently-published Foot Review into British Offshore Financial Centres showed that in the second quarter of this year UK banks received more than \$330bn from Guernsey, Jersey and the Isle of Man. The year of the financial crisis of 2008 saw the level of net financing provided from Guernsey to the City to be around 40% higher on average than just two years beforehand.

Mr Trott said that the independent verification of this figure was helping to change perceptions of the Island's role in the international financial system and its relationship with the UK.

A former financial trader before he entered politics, Mr Trott acts as an overseas ambassador for Guernsey in his role as Chief Minister, the Island's senior political figure.

This year he has made three visits to Brussels and also visited Washington, Mexico and China to promote the Island and its financial services business. He highlighted the progress made with China during the address to the conference.

"We must conclude that the financial crisis has resulted in greater scrutiny of all financial centres - and there's a growing gap between those at the top end, and the rest. That's why we in Guernsey are committed to staying ahead of the pack," said Mr Trott.

**Release Ends**