

# Guernsey – a China focused finance centre

By Peter Niven, Chief Executive,  
Guernsey Finance

Peter Niven examines what Guernsey can offer Chinese investors

**O**ver the past 50 years Guernsey has established itself as a world-class international finance centre. The Island has built a reputation for providing an extensive range of financial products and services across the globe to the highest international standards. We are fully equipped to provide wealthy Chinese individuals and institutions with the right solution to best meet their financial objectives. In particular, we have the widest range of private banking services, corporate structuring expertise, a world-class company registry and a complete funds capability.

## More about Guernsey

Guernsey is situated in Europe between the United Kingdom (UK) and France. It is 24 square miles in size and has a population of just over 60,000.

The Island is a British Crown Dependency. It has over 800 years of self-government, with independence over its legislation and economic policy and where decisions are made by a democratically elected parliament.

Guernsey also enjoys a special relationship with the European Union (EU). Terms negotiated on the UK's accession mean that Guernsey enjoys access to EU countries for physical exports without tariff barriers, but other rules and directives do not apply, unless voluntarily accepted.

This means that the Island offers political and economic stability on which business can rely. It also ensures that the Island is able to offer businesses the freedom to flourish. In addition, it allows for a speedy response to meet the specific needs of business.

Guernsey also offers the advantages of being English speaking; using the British pound Sterling (GBP); being in the same time zone as the UK, which is convenient for China; and being located close and with good transport links to London and markets in continental Europe.

## A fully equipped finance centre

Our unique environment has attracted several hundred financial services firms to the Island. Indeed, a distinguishing feature of Guernsey's finance industry is its considerable strength and depth. There are a balanced range of providers that broadly comprise:

--->banking

--->insurance

--->investment funds

--->fiduciary services (trust and company administration)

--->professional support services such as multi-jurisdictional law firms and the 'big four' accountancy firms

--->the Channel Islands Stock Exchange (CISX)

--->a Guernsey company registry

--->a bespoke professional development facility, the Guernsey Training Agency (GTA) University Centre

Island life helps to facilitate team spirit amongst these providers who work with an independent regulator, the Guernsey Financial Services Commission (GFSC).

Then there is Guernsey Finance – the promotional agency for the Island's finance industry. It is a joint industry and government initiative to create awareness around the world, including in China, of the potential benefits to individuals and institutions of investing in Guernsey.

## What do we offer Chinese investors?

To assist in communicating our offering, Guernsey Finance has established a Chinese website in Mandarin ([www.guernseyfinance.com.cn](http://www.guernseyfinance.com.cn)) as well as an office in Shanghai from where Chinese national Wendy Weng markets the Island. Wendy offers the business communities in both locations a common point of contact and therefore can connect interested Chinese parties with a relevant Guernsey firm. She also provides continuity between the regular visits that both political and business leaders from the Island make to China.

As part of this process we have identified a specific range of products and services that will be of particular interest to Chinese investors:

- Private banking services for wealthy individuals and family offices are supplied through the Island's fiduciary services sector, investment managers and private banks.
- Corporate structuring – Guernsey pioneered the cell company concept when it introduced the Protected Cell Company (PCC) to the world in 1997. This has been widely copied and is now also known as a Segregated Cell Company. There is a wide range of modern vehicles available in Guernsey and a considerable depth of expertise on the Island in utilising them for fund, fiduciary and insurance solutions.
- A cutting-edge company registry which offers quicker and cheaper company incorporation and administration
- Fund listings on the London Stock Exchange, Alternative Investment Market (AIM) and Amsterdam Euronext, as well as the Channel Islands Stock Exchange, are available from Guernsey. In addition, the Island offers domiciliation, management, administration and custody of funds. Guernsey is home to globally recognised providers and in recent years has seen robust increases in the number of funds being domiciled, the value of assets under management and administration and the number of listings on the CISX.

## Why Guernsey?

The fourth Global Financial Centres Index (GFCI) produced on behalf of the City of London was published in September this year and ranked the Island 16th in the world. By comparison, the Cayman Islands placed 21st and BVI was ranked 29th.

So what differentiates us from our competitors?

Firstly, Guernsey has 50 years' experience as an offshore finance centre which means that we are tried and tested and have accumulated a wealth of expertise that is being continually enhanced through the Guernsey Training Agency. As well as being mature, our financial services industry is also dynamic, forward-thinking and innovative, as demonstrated by the likes of the PCC and the cutting-edge company registry.

The Island has also developed a broad-based industry that is able to supply a wide range of products and services right across the globe and at excellent service levels. The GFSC has built a reputation for robust yet pragmatic regulation, an approach that encourages creativity and flexibility while ensuring agencies such as the Financial Action Task Force (FATF) and International Monetary Fund (IMF) are able to declare that the Island is working to international standards.

Guernsey's location differentiates it from the Caribbean region. We are close and with good transport links to London and the other major European markets. Guernsey is also in a more convenient time zone for doing business with China and we are situated in an area free from natural disasters and with a temperate climate.

On top of all that, the Island offers a standard 0% rate of tax for all companies.

It is this offering which makes Guernsey a particularly attractive location for Chinese clients, no matter whether they are individuals or institutions.

## Peter Niven is Chief Executive of Guernsey Finance – the promotional agency for the Island's finance industry.



Name: Peter Niven, Chief Executive  
Firm: Guernsey Finance  
Email: [info@guernseyfinance.com](mailto:info@guernseyfinance.com)  
(in the UK)  
[guernseyfinance@cbbc.org.cn](mailto:guernseyfinance@cbbc.org.cn)  
(in China)  
Web: [www.guernseyfinance.com](http://www.guernseyfinance.com)  
(for English)  
[www.guernseyfinance.com.cn](http://www.guernseyfinance.com.cn)  
(for Chinese/Mandarin)