



Article

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Banking groups can play an effective role in supporting Jersey's international ambitions

Says Andreas Tautscher, Chief Country Officer, Deutsche Bank in the Channel Islands

As the promotion of Jersey's Finance Industry continues to become more international in scope, the presence in Jersey of so many familiar global banking brands with substantial operations provides an immediate advantage when visiting new territories.

Naturally there is already an existing synergy between some major financial institutions in Jersey and bodies such as Jersey Finance and other organisations seeking to attract international business to the island. In the first instance, it is no doubt helpful to Jersey's active promotional team that it can list a number of familiar banking names which have offices in the island when Jersey delegations meet with intermediaries and other business introducers in new locations, particularly those who may be relatively unfamiliar with Jersey's leading position as an international finance centre.

However, as the work to attract business from new markets accelerates, it is perhaps useful for us to review the ways in which the global banking organisations can play an increasingly supportive role to the benefit of everyone.

The key to an effective partnership is that, while some of the areas where the banks can assist in the promotional effort are relatively obvious, to be effective and meaningful any 'on the ground' support requires a considerable amount of pre-planning. The areas where this association works most effectively are in the fields of market intelligence, access and in facilitating visits or meetings.

Naturally, the bigger global financial institutions with a significant presence in Jersey such as Deutsche Bank, are well represented in the emerging economies in which Jersey is seeking to

generate new business. There is an opportunity therefore for Jersey to tap into the available knowledge of the region, important intelligence which could prove costly to research otherwise.

There is also the possibility of providing access to key individuals within our organisation in locations where Jersey is still seeking greater awareness and influence such as in financial centres in China and the Gulf. These contacts are sometimes arranged both in advance of a visit to garner further specific knowledge and, on some occasions, during a promotional visit itself.

However, there are some constraints in any arrangements. The fact that our organisation will be subject to regulatory rules in the selected region restricts the ability that we have to operate within that location. Furthermore, whilst we can sometimes nominate a name of a person within an organisation who could meet representatives from Jersey, this is of limited value if the person concerned, however senior, has no interest in either cross border business or structuring activity which might involve the use of offshore jurisdictions.

It is certainly the case that where a major bank is going to help directly by arranging a meeting with one of its own senior representatives in that new location, that the Jersey-based bank will need to time to plan and identify the most appropriate contact within what may well be a large and diverse range of operational companies.

It is also possible to facilitate visits in the other direction. I recall a visit to Jersey by a Chinese bank which was the result of contact through the global network of Deutsche Bank. In this example, the contact did not originate with us locally but was an approach from our investment bank. One of their functions is to act in an advisory capacity both to businesses and governmental organisations seeking to explore new markets. In this instance the Chinese bank had expressed an interest in learning more about the offshore marketplace and our investment banking colleagues approached us to ascertain how we could help. We in turn were able to facilitate a formal visit where they met with key representatives from Government, the regulator and Jersey Finance.

We all acknowledge the competition is increasing and that while the global recovery is showing positive signs for Jersey, there will be no easy business wins in the future. Jersey needs to marshal all its resources to help with its overseas promotion and since one of Jersey's great strengths remains the breadth and stability of its banking industry, it seems sensible to look at ways of harnessing the international reach of banking groups still further in the drive to win business in new markets.

Ends.