

The Jersey fund industry

An extract from Rain or Shine? July 2009

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Is Jersey well placed to take advantage of the inevitable strong demand for investment products as the population in the developed world ages and the global economy recovers, or will the recent growth prove to be temporary?

Following the G20 summit in London, and Jersey appearing on the Organisation for Economic Cooperation and Development (OECD) white list, the island can truly claim that its policy of transparency and cooperation has been endorsed. If sanctions are to be imposed on territories that do not meet the required standards, there is now a clear steer that Jersey will not be impacted. The IMF Report due to be released imminently is expected to confirm Jersey's position as a well-regulated jurisdiction. Any concerns over use of so-called tax havens should not apply, and it can be expected that Jersey will gain business from less cooperative regimes.

However, any euphoria that followed the G20 summit has to be tempered as Jersey begins to assess the potential impact of the draft Alternative Investment Fund Directive released by the EU Commission in May. Proposed changes to the European Savings Directive will also impact, as will tax and regulatory developments in the US under the new Obama administration. Jersey intends to continue its programme of Tax Information Exchange Agreements, and open dialogue with national and international bodies on these reforms.

When the dust settles and the global economy recovers the financial world will look very different. There is every reason to believe that Jersey's place in the new world will be stronger than ever before.

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