

STATEMENT

1 April 2009

COMMENT FROM GIBA CHAIRMAN STEVE LE PAGE AHEAD OF TOMORROW'S G20 SUMMIT

'GIBA, like the rest of the world, will be following with interest the discussions that will take place in London tomorrow at the G20 summit. Whilst it is difficult to separate the political positioning from actual outcomes wished for by the various participants, one thing is very clear: the global problem that is the current financial crisis will require countries and nations to work more closely together to find solutions.

This will take us all into uncharted waters which for Guernsey means remaining flexible and reactive to the changes and challenges that will emerge throughout the rest of this year and probably well into 2010.

Inevitably the regulatory systems that failed to address the systemic issues within financial services, particularly in the US and the UK, have come under intense scrutiny and a new regulatory regime will emerge. In that regard GIBA remains optimistic that Guernsey will fare well because as a small offshore financial centre our standards have of necessity had to match or be higher than our onshore peers.

In addition, from the recent interviews of G20 leaders and finance ministers it would appear, as we have been saying all along, that sense is beginning to prevail in the debate on "tax havens". As we anticipated this will focus on cooperative versus non-cooperative jurisdictions whether onshore or offshore and GIBA has little doubt that Guernsey will be categorized as a cooperative jurisdiction.

This should bode well for the future of Guernsey as a respected international financial centre and as a consequence for Guernsey's finance sector especially when global markets start to turn around once again.

Of course, there will be some effort required for our industry to adapt to the new regime and to cope with the inevitable increased scrutiny but GIBA is confident that the vast majority of the industry will successfully adapt, as we have done in the past.'

**Issued by Melissa Rees of LR&D.
Tel: 01481 246668 Email: mel@lrandd.com**