

# Investment Consulting Associates (ICA)

## Jersey's Role as International Financial Centre: Facilitating and Enhancing Foreign Direct Investment



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## Report 2 Jersey's FDI Assessment

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## Table of Contents

List of Figures .....	iv
List of Tables.....	iv
Table of Acronyms.....	v
Chapter 1 - Jersey's FDI Assessment.....	1
1.1 Inbound and Outbound FDI Flows .....	2
1.2 Inbound and Outbound FDI Stock .....	5
1.3 Inbound and Outbound Greenfield FDI.....	10
1.3.1 Inbound Greenfield FDI.....	12
1.3.2 Outbound Greenfield FDI.....	13
1.3.3 Synopsis .....	18
Chapter 2 - A Sector Deep-Dive .....	20
2.1 Banking.....	20
2.2 Trusts settled by Private Individuals.....	21
2.3 Trusts settled by Companies and Institutions .....	22
2.4 Investment Funds.....	22
2.5 Capital Markets .....	23
2.6 Synopsis.....	24
Annex 1 IMF CDIS Data .....	27

## List of Figures

Figure 1 Modelling FDI Flows and Stock .....	6
Figure 2 Jersey's absolute inward FDI stock, 2012 (GDP in US\$ million) .....	7
Figure 3 Jersey's relative inward FDI stock, 2012 (GDP in US\$ million) .....	8
Figure 4 Jersey's absolute outward FDI stock, 2012 (GDP in US\$ million) .....	9
Figure 5 Jersey's relative outward FDI stock, 2012 (GDP in US\$ million) .....	9
Figure 6 Balance of Jersey's FDI stock, 2012 (GDP in US\$ million) .....	10
Figure 7 Key determinants of Jersey's Greenfield FDI, 2003-2014.....	11
Figure 8 Comparison of on-average Jersey outward FDI projects per destination region, 2003-2014 .....	16
Figure 9 Comparison of FDI jobs and value of Jersey's outward FDI projects per destination region, 2003-2014 .....	17
Figure 10 Comparison of FDI jobs and value of Jersey's outward FDI projects per destination region, 2003-2014 .....	18

## List of Tables

Table 1 Jersey's inward and outward FDI flows, 2009-2012 (US\$ million)* .....	3
Table 2 Balance of Jersey's inward and outward FDI flows, 2009-2012 (US\$ million).....	5
Table 3 Jersey's inward Greenfield FDI stock per source country, 2003-2014 .....	12
Table 4 Jersey's inward Greenfield FDI stock per industry, 2003-2014 .....	13
Table 5 Jersey's inward Greenfield FDI stock per sub-industry, 2003-2014 .....	13
Table 6 Jersey's outward Greenfield FDI stock per destination region, 2003-2014.....	14
Table 7 Jersey's outward Greenfield FDI stock per industry and sub-industry, 2003-2014 .....	15
Table 8 Indicative estimate of the consolidated liabilities of the Jersey banks allocated to the country of residence of the underlying economic interest, 2011 (£ million) .....	20
Table 9 Indicative estimate of the value of assets held in Jersey settled by private individuals by residence of ultimate settlor and beneficiary, and location of assets*, 2011 (£ million) .....	21
Table 10 Indicative estimate of the value of assets settled by corporate or institutional clients in Jersey trusts or similar vehicles by residence of ultimate settlor and beneficiary, and location of assets*, 2011 (£ million).....	22
Table 11 Indicative estimation of the value of funds' assets by location of ultimate investors and assets, 2011 (£ million) ..	23
Table 12 Jersey Listed Companies on Global Exchanges, 2014 .....	23
Table 13 Overview of source regions of Jersey's IFC assets and FDI .....	24
Table 14 Overview of destination regions of Jersey's IFC assets and FDI .....	25

## Table of Acronyms

Acronym	Definition
<b>AIM</b>	Alternative Investment Market
<b>APEC</b>	Asia-Pacific Economic Corporation
<b>BEPS</b>	Base Erosion and Profit Shifting
<b>BVI</b>	British Virgin Islands
<b>CDIS</b>	Coordinated Direct Investment Survey
<b>CIS</b>	Commonwealth of Independent States
<b>CISE</b>	Channel Islands Securities Exchange
<b>CIT</b>	Corporate Income Tax
<b>CRS</b>	Common Reporting Standard
<b>CSP</b>	Customer Service Provider
<b>DTA</b>	Double Taxation Agreement
<b>DTC</b>	Double Taxation Convention
<b>EIM</b>	European Investment Monitor
<b>EU</b>	European Union
<b>FATCA</b>	Foreign Account Tax Compliance Act
<b>FATF</b>	Financial Action Task Force
<b>FDI</b>	Foreign Direct Investment
<b>FII</b>	Foreign Indirect Investment
<b>FPI</b>	Foreign Portfolio Investment
<b>FTSE</b>	Financial Times Stock Exchange
<b>GBP</b>	Great Britain Pound
<b>GCC</b>	Gulf Cooperation Council
<b>GDP</b>	Gross Domestic Product
<b>GFCI</b>	Global Financial Centres Index
<b>GILD</b>	Global Investment Locations Database
<b>HNWI</b>	High Net Worth Individual
<b>IBC</b>	International Business Company
<b>ICA</b>	Investment Consulting Associates
<b>ICT</b>	Information and Communications Technology
<b>IFC</b>	International Financial Centre
<b>IMF</b>	International Monetary Fund
<b>IOSCO</b>	International Organization of Securities Commissions
<b>JFL</b>	Jersey Finance Limited
<b>JFSC</b>	Jersey Financial Services Commission
<b>LSE</b>	London Stock Exchange
<b>M&amp;A</b>	Merger and Acquisition
<b>MNC</b>	Multinational Corporation
<b>NASDAQ</b>	National Association of Securities Dealers Automated Quotations
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>Res. Non-Dom.</b>	Resident Non-Domiciled
<b>SFM</b>	Specialist Fund Market
<b>SIE</b>	Small Island Economy
<b>TIEA</b>	Tax Information Exchange Agreement
<b>UK</b>	United Kingdom
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>US</b>	United States
<b>US\$</b>	United States Dollar
<b>VAT</b>	Value-Added Tax
<b>WIR</b>	World Investment Report

## Chapter 1 - Jersey's FDI Assessment

As elaborated in report 1, there are a lot of different sources concerning FDI, yet many using different definitions or viewpoints. Some sources focus exclusively on corporate financial flows, while other sources focus much more on HNWI's. To reconcile Jersey's FDI assessment, it is necessary to review and integrate different sources. A further complicating factor in this context is the issue of scale. As Jersey is considered a small island jurisdiction, it is not always included in the sample of some of the more authoritative sources for FDI. With these restrictions and limitations in mind, it may not always be possible to provide last year's data. In such cases, the most recent available data is used.

A major source of consistent FDI data is UNCTAD's World Investment Report (WIR) which is published on an annual basis. The only data available for Jersey is the value of cross-border M&As of sellers and purchases, which features in the latest WIR (2014). Given the purpose of this chapter, mapping FDI relations between Jersey, source and destination countries, this data is not relevant in this case as it does not give any indication of direction of the M&As. WIRs only cover FDI data and statistics for 196 larger economies of which Jersey is excluded.

Another credible source of FDI data is the OECD's database StatExtracts, which only features data for OECD member countries (of which Jersey is not a member). However, it does cover both FDI flows and FDI positions as reported by OECD member countries. Some major countries, like the US and the UK (for 2012) lack data, but it is still worthwhile to explore these statistics to get a picture of Jersey's position with the OECD network of FDI.

The International Monetary Fund (IMF) conducts and publishes the Coordinated Direct Investment Survey (CDIS), which features data on the origin and destination of FDI. The CDIS is being conducted under the auspices of the IMF's Statistics Department across a wide range of economies. The survey is conducted simultaneously by all voluntarily participating economies (over 80), uses consistent definitions, and encourages best practices in collecting data on foreign direct investment positions. As such, this source remains a prime source for the FDI stock as it allows for an analysis of the bilateral stock of FDI between jurisdictions, and has data available on Jersey and other non-OECD countries. Starting with collecting data annually from end-2009 to end-2012, the IMF led this effort to improve the availability and quality of data on direct investment, overall and by immediate counterparty economy. All participants in the CDIS provided data on their inward direct investment and most participants also provided data on their outward direct investment. The principle of "mirroring" has been applied to validate results. This means that data from the reporting economy are shown side-by-side with the data obtained from all other counterpart reporting economies and are "mirrored" to identify data gaps or errors, and therefore where follow up efforts may prove beneficial.

Careful interpretation is required, not only due to the absence of data and differing definitions but also due to the principle of "mirroring." Both sources cover FDI data reported by the counterpart economy rather than Jersey. As such, inward Jersey FDI reported by (for instance) the UK needs to be "mirrored" and transferred as "outward" FDI from the Jersey perspective.

Since Jersey's IFC as a collective supports and facilitates the process of attracting, pooling and redistributing FDI (thereby adding value to the cross-border transfer of assets and liabilities) no distinction is made (yet) with regards to the particular activities mentioned previously. However, as Greenfield FDI – both in Jersey as well as abroad – is a clear reflection of the performance of Jersey's IFC, special attention is paid to Jersey's position as facilitator and intermediary of Greenfield FDI.

FDI can roughly be broken down into three distinct areas, that to a certain extent function as sources of FDI:

- FDI by HNWI: excluded from this FDI assessment as the sources used for this assessment (OECD, IMF and fDiMarkets.com) do not include HNWIs in their definitions.
- FDI by corporates: covered by the definitions of OECD and IMF though these sources have drawbacks in terms of their geographical scope. This category of FDI is also partly covered by the fDiMarkets.com database as Greenfield FDI is only undertaken by corporate investors.
- Greenfield FDI: special niche of FDI undertaken by corporates, fully captured by the FDI definition of fDiMarkets.com.

### 1.1 Inbound and Outbound FDI Flows

Based on OECD's StatExtracts, which has compiled a database based on FDI data as reported by its member states, this section examines the position of Jersey with regards to inbound and outbound flows of FDI. The OECD defines FDI as "obtaining a lasting interest (i.e. 10% of shares or voting power) by a resident entity in one economy (i.e. direct investor') in an entity resident in an economy other than that of the investor (i.e. direct investment enterprise')" and includes the initial transaction between the former and the latter and any subsequent capital transactions between them. The foreign investor can take the form of an individual, an incorporated or unincorporated public or private enterprise, a government, a group of related individuals, or a group of related incorporated and/or unincorporated enterprises.

In order to allow comparability of assets, assets are valued at the current market prices, ensuring consistency between FDI flows of different geographies as well as from a chronological perspective. Even though the number of countries is far from exhaustive, the OECD's member states could function as a sample to derive a first insight into Jersey's position as facilitator of FDI.

As Table 1 indicates, reliable data is absent/unavailable (.), non-publishable (n) or confidential (c) for a number of OECD countries. This in itself is a finding as it firstly demonstrates the lack of statistics for a number of countries – even though these statistics are collected by one of the most renowned sources (i.e. IMF) - whilst it secondly shows some countries are very careful with publically disclosing information on flows of FDI as some reporting economies treat these statistics as "confidential" (e.g. Australia, Estonia and Switzerland). This seems to be the case for Australia, Austria, Canada, Estonia, the Netherlands, Mexico (inward FDI), Norway (2011 and 2012), Portugal, Spain, Switzerland and the United States. FDI flows to or from Jersey have simply not been observed for Chile, Hungary (inward FDI) Iceland, Israel (outward FDI), Korea, Mexico (outward FDI), New Zealand, Slovak Republic, Slovenia, and Turkey (outward FDI).

Inward and outward FDI flows for OECD countries for which data is available are relatively fluctuating from positive to negative year on year. A negative value in transactions indicates disinvestment in assets or discharges of liabilities. A direct investor may decide to sell (part of)

equity held in the direct investment enterprise to another party or the direct investment enterprise may have decided to purchase back its shares from the direct investor.

Negative values can also evolve as a result of the advance and redemption of intra-company loans or because the direct investment enterprise is operating at a loss, generating negative reinvested earnings. Jersey's flows of FDI are expected to be dynamic and fluctuating because of its role as IFC, and the associated focus on services enabling the cross-border transfer of assets and liabilities.

When the inward FDI flows are further examined, it seems the total flow which is directed to Jersey is particularly reliant upon the UK as inward FDI from the UK accounts for values as high as \$30.2 billion (£19.5 billion) in 2009 to \$9.9 billion (£6.4 billion) in 2011 and \$7.0 billion (£4.5 billion) in 2012. An extreme outlier seems to be recorded for 2010, as the flow of inward FDI from the UK turns negative. Apart from Italy in 2009, only FDI flows originating from Ireland and Luxembourg accounted for more than \$1 billion (£630 million). This is not entirely the case for Jersey's outward FDI. In fact, FDI flows from Jersey to the UK seem to be rather restricted, apart from 2011, in which a considerable negative value is recorded. Significant destination countries of outward FDI from Jersey include Germany (nearly \$4.0 or £2.5 billion in 2012), Ireland (\$5.4 or £3.4 billion in 2010), Luxembourg (apart from 2012), Norway (nearly \$6.0 or £3.8 billion in 2009) and Poland (\$3.9 or £2.5 billion in 2010). Smaller but more constant recipients of Jersey outward FDI include Czech Republic, France, Greece, Hungary and Poland and, to a lesser extent, Denmark, Finland, Germany, Italy and Sweden.

Once again, it should be stressed that this list of countries is limited to OECD members and thus certainly does not provide a full picture. However, within OECD member countries, the UK is certainly considered as (one of the) prime source countries of FDI flowing to Jersey (although it is not a destination for FDI flowing from Jersey). Destination FDI is channelled to a variety of economies on the European continent, varying from large economies (Germany, France) to economies in Eastern Europe (Czech Republic, Hungary, Poland) as well as Scandinavian countries (Denmark, Finland, Sweden). Luxembourg seems to act as a financial hub on the European continent.

**Table 1 Jersey's inward and outward FDI flows, 2009-2012 (US\$ million)\***

	Inward FDI (US\$ million)				Outward FDI (US\$ million)			
	2009	2010	2011	2012	2009	2010	2011	2012
Australia	(c)	(c)	0	0	..	..	..	..
Austria	..	..	..	..	..	..	..	..
Belgium	-9.7	-401.3	-150.4	-114.4	1,436.5	-414.6	429	129.8
Canada	..	..	..	..	..	..	..	..
Chile	0	0	0	0	0	0	0	0
Czech Republic	0	0	0	0	5.9	(c)	5.1	-3.1
Denmark	-163.8	31.8	30.4	-30.7	73.3	-406.3	-65.1	264.5
Estonia	(c)	(c)	(c)	(c)	(c)	0	(c)	(c)
Finland	0	0	0	0	183.3	-428.3	41.3	-86.4
France	248.7	-45	-12.5	-54	351.5	250.3	596.1	158.1
Germany	-632.1	111.3	13.9	-95.1	-237.6	270.2	197.8	3,960.2
Greece	-4	0.6	2.5	1.6	39.3	32.2	13.8	2.5



	Inward FDI (US\$ million)				Outward FDI (US\$ million)			
	2009	2010	2011	2012	2009	2010	2011	2012
Hungary	0	0	0	0	78.8	17.6	-23.1	79.8
Iceland	0	0	0	0	0	0	0	0
Ireland	215.3	385.4	-69.6	1,293.1	41.7	5,417.2	-1,174.1	-345.8
Israel	-91.9	-86.5	-389.8	-265.7	..	0	0	0
Italy	1,469.7	4.8	-99.7	-44.3	16.8	-26.3	1.4	-18.5
Japan	..	3.4	5	3.8	..	0.6	-3,369.1	-1,123.9
Korea	0	0	336	0	0	0	0	0
Luxembourg	2,117	-822.3	475.6	1,743.7	4,326.8	8,161.9	2,109.1	-343.2
Mexico	..	..	..	..	0	0	0	0
Netherlands	..	(n)	-183.8	(n)	..	-3,545.7	(n)	(n)
New Zealand	0	0	0	0	0	0	0	0
Norway	178.5	211.3	..	..	5,962.2	-227.5	..	..
Poland	..	3.9	18.9	-3.4	..	3,890.6	223.2	207.7
Portugal	(n)	(n)	(n)	(n)	(n)	(n)	(n)	(n)
Slovak Republic	0	0	0	0	(c)	0	(c)	0
Slovenia	0	0	0	0	0	0	0	0
Spain	(n)	(n)	(n)	(n)	(n)	(n)	(n)	(n)
Sweden	-12.2	4.9	-12.7	-6.5	74.5	135.4	418.4	-170.3
Switzerland	(c)	(c)	(c)	(c)	(c)	(c)	(c)	(c)
Turkey	4	0	2	0	0	0	0	0
United Kingdom	30,168.4	-143.7	9,876.6	6,969.9	544.2	420.1	-3,567.3	(c)
United States	..	..	..	..	..	..	..	..
<b>Total</b>	<b>33,487.9</b>	<b>-741.4</b>	<b>9,842.4</b>	<b>9,398</b>	<b>12,897.2</b>	<b>13,547.4</b>	<b>-4,163.5</b>	<b>2,711.4</b>

\*.. = unavailable; c = confidential, n = non-publishable

Source: OECD StatExtracts database (2014) modified by Investment Consulting Associates – ICA (2014)

The balance between Jersey's inward and outward FDI flows gives an impression of surpluses or deficits in flows of FDI between Jersey on the one hand and counterpart economies on the other hand. Table 2 confirms some indirect findings mentioned earlier. Luxembourg serves as destination for outward flows of Jersey, and shows a deficit of FDI flows (apart from 2012). The same holds true for other economies to which Jersey FDI is directed: Czech Republic, France, Germany, Greece, Hungary, Israel, Poland and Sweden and, to a lesser extent, Belgium, Denmark and Finland. On the contrary, for the UK and for Ireland, a considerable surplus had been registered for 2009 and 2010. In general, 2010 seems to be a year in which deficits of FDI flows are recorded for Jersey. Due to the fluctuations of the statistics, it is difficult to relate this observation to an exact cause or incident though there seems to be a rather negative trend for 2010 on the whole (e.g. Ireland, Luxembourg, Poland and UK) as compared to 2009 and 2011.

Table 2 Balance of Jersey's inward and outward FDI flows, 2009-2012 (US\$ million)

	Balance of FDI (US\$ million)			
	2009	2010	2011	2012
Austria	..	..	..	..
Belgium	-1446.2	13.3	-579.4	-244.2
Canada	..	..	..	..
Chile	0	0	0	0
Czech Republic	-5.9	(c)	-5.1	3.1
Denmark	-237.1	438.1	95.5	-295.2
Estonia	(c)	(c)	(c)	(c)
Finland	-183.3	428.3	-41.3	86.4
France	-102.8	-295.3	-608.6	-212.1
Germany	-394.5	-158.9	-183.9	-4,055.3
Greece	-43.3	-31.6	-11.3	-0.9
Hungary	-78.8	-17.6	23.1	-79.8
Iceland	0	0	0	0
Ireland	173.6	-5,031.8	1,104.5	1,638.9
Israel	..	-86.5	-389.8	-265.7
Italy	1,452.9	31.1	-101.1	-25.8
Japan	..	2.8	3,374.1	1,127.7
Korea	0	0	336	0
Luxembourg	-2,209.8	-8,984.2	-1,633.5	2,086.9
Mexico	..	..	..	..
Netherlands	..	(n)	(n)	(n)
New Zealand	0	0	0	0
Norway	-5,783.7	438.8	..	..
Poland	..	-3,886.7	-204.3	-211.1
Portugal	(n)	(n)	(n)	(n)
Slovak Republic	(c)	0	(c)	0
Slovenia	0	0	0	0
Spain	(n)	(n)	(n)	(n)
Sweden	-86.7	-130.5	-431.1	163.8
Switzerland	(c)	(c)	(c)	(c)
Turkey	4	0	2	0
United Kingdom	29,624.2	-563.8	13,443.9	(c)
United States	..	..	..	..
<b>Total</b>	<b>20,682.6</b>	<b>-17,834.5</b>	<b>14,189.7</b>	<b>-283.3</b>

\*.. = unavailable; c = confidential, n = non-publishable

Source: OECD StatExtracts database (2014) modified by Investment Consulting Associates – ICA (2014)

## 1.2 Inbound and Outbound FDI Stock

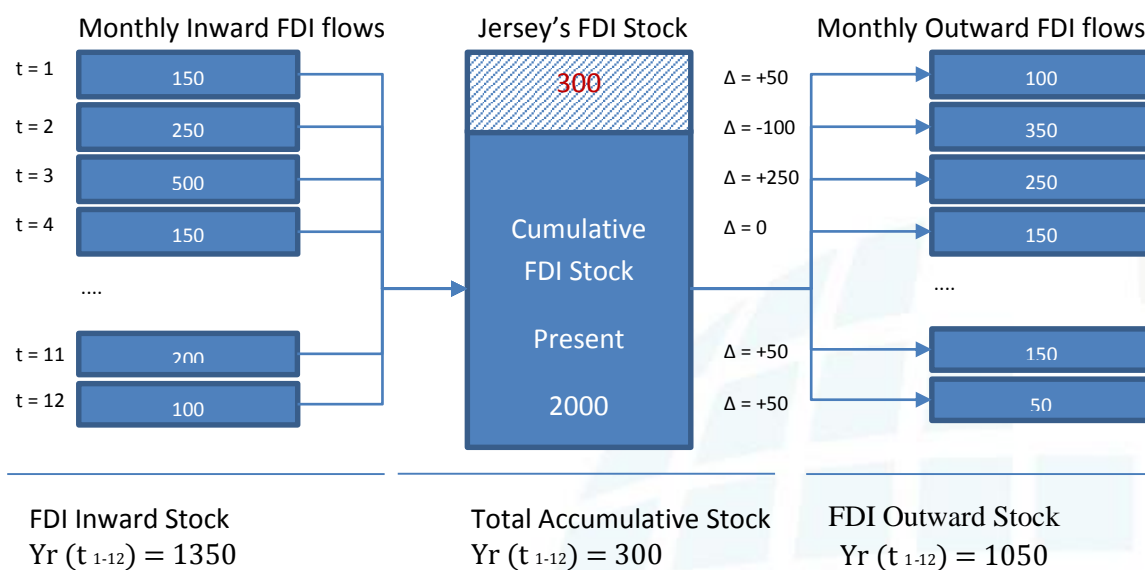
Apart from flows of FDI, an initial insight into Jersey's role as financial intermediary of FDI can be obtained through assessing stocks of FDI. The IMF's CDIS conducts surveys among participating countries on an annual basis, which measures the "direct investment position" of one jurisdiction

vis-à-vis another jurisdiction. The direct investment position is defined as “stock data showing an economy’s direct investment assets and liabilities at a given point in time”. Direct investment is considered a type of cross-border investment where a resident in one country has control or a considerable degree of influence on the management of an enterprise resident in another country. FDI stock is often calculated by cumulating FDI flows over a period of time.

This conceptual difference is visualised by the figure below. Presume a year for which monthly inward and outward FDI flows to and from a jurisdiction (in this case Jersey) are measured. The left-hand column represents total (i.e. from all source countries) monthly inflows of FDI whilst the right-hand column represents total (i.e. to all destination countries) monthly outflows of FDI. In the first month, inward FDI flows represent a value of 150 whilst outward FDI flows account for 100. The difference, +50, indicates a total of 50 is added to Jersey’s total value of FDI (i.e. FDI stock). Over the year (t=1-12), the total inward FDI flow accounts for 1350 whereas the total outward FDI flow equals 1050. As such, the total stock of Jersey’s FDI increases with 300 (1350 – 1050). Assuming Jersey’s FDI stock of previous years accounted for 2000, Jersey’s FDI stock after the twelve months now represents 2300.

Inward FDI stock is the aggregated value of assets in the economy held by non-residents in a different economy (i.e. 1350 in this case). Outward FDI stock is the aggregated value of assets held by residents abroad (i.e. 1050 in this case). This is usually measured based on a country level (as is with the CDIS survey). Assume half of the monthly inward and outward FDI flows in the model below are from and to the UK. As such, the monthly inward FDI flow from the UK to Jersey in the first month would equal 75 whilst the monthly outward FDI flow from Jersey to the UK would equal 50. All flows aggregated over the year (t=1-12) result in a total inward FDI stock of 675 for the UK with a total outward FDI stock of 525 for the UK. The difference, +150, is the contribution of UK FDI to Jersey’s overall FDI stock.

Figure 1 Modelling FDI Flows and Stock



Source: Investment Consulting Associates – ICA (2014)

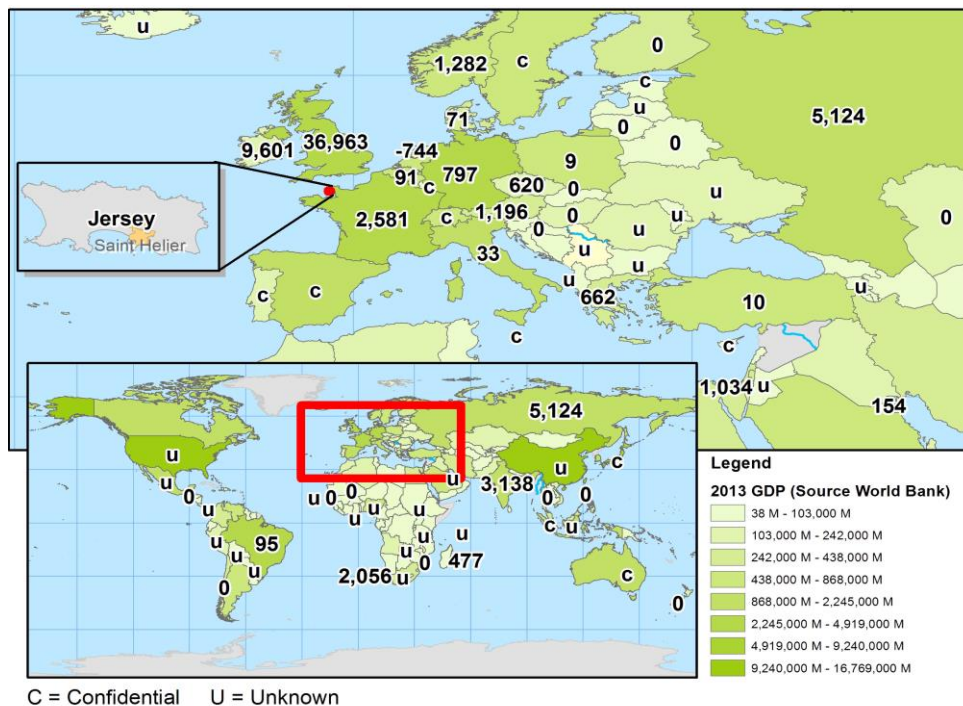
FDI stock is affected not only by FDI flows recorded prior to and during the period but also by other changes in price and exchange rates. As such, the definition of FDI of the OECD and IMF overlaps

though differences in data can occur as a result of different research methodologies: IMF data is based on a survey, OECD data is exclusively reported by authorities of OECD member countries. Investigating FDI stock thus allows tracing bilateral direct investment positions of Jersey relative to other jurisdictions on a directional basis. As with values of flows of FDI, values of FDI stock can be negative, generally indicating disinvestments or the impact of substantial reimbursements of inter-company loans. This is the case when intra-company loans from the direct investment enterprise to the direct investor exceed the (original) loans provided to the direct investment enterprise by the direct investor.

Again, just as with the OECD data, some counterpart economies do not report FDI stock data (i.e. confidential) or are unknown (i.e. unknown). The former is the case for other IFCs and countries with a favourable taxation reputation, including Cyprus, Luxembourg, Malta and Switzerland. This is also the case for Estonia, Portugal, Spain and Sweden. No data is available for a great number of countries in Eastern Europe and around the world. As a result the following data must be carefully interpreted but, as with the OECD data, this section functions to produce an initial insight into Jersey’s FDI position whilst simultaneously demonstrating the complexity of appropriate data and statistics in this context. As such, the sample of countries covered by the CDIS complements the OECD sample. The IMF CDIS data on which the figures below are based is listed in [Annex 1](#).

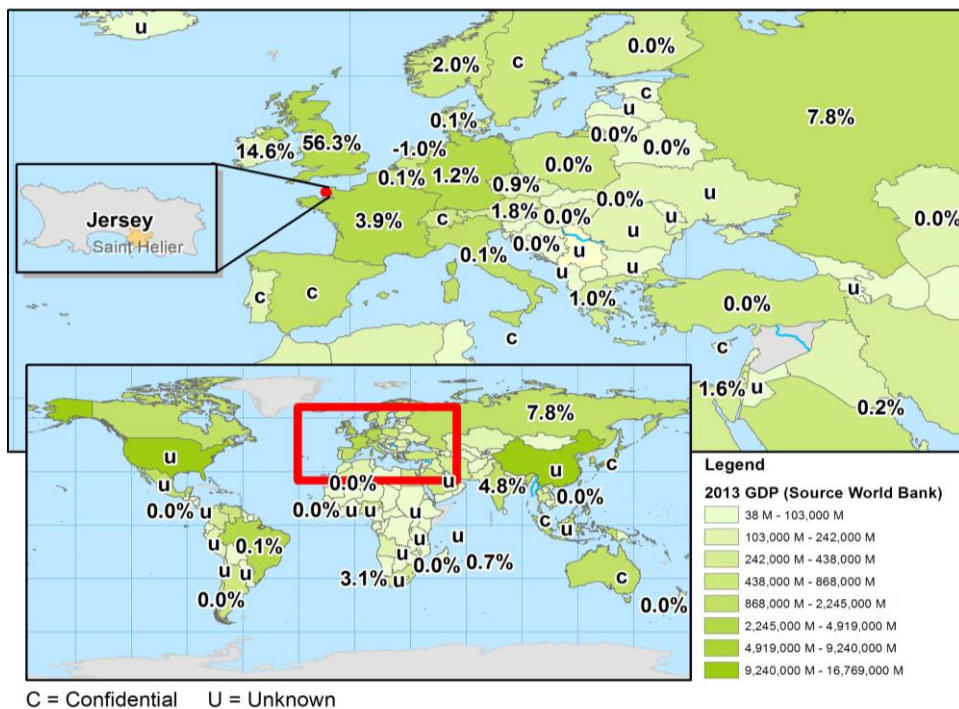
For 2012 (the most recent year for which data is available) counterpart economies reported a total of \$65.7 billion (£41.8 billion) of FDI stock in Jersey. From Jersey’s perspective, this is perceived as “inward” FDI stock and is visualised in Figure 2 (absolute values) and Figure 3 (relative values).

Figure 2 Jersey’s absolute inward FDI stock, 2012 (GDP in US\$ million)



Source: Investment Consulting Associates – ICA (2014)

Figure 3 Jersey's relative inward FDI stock, 2012 (GDP in US\$ million)

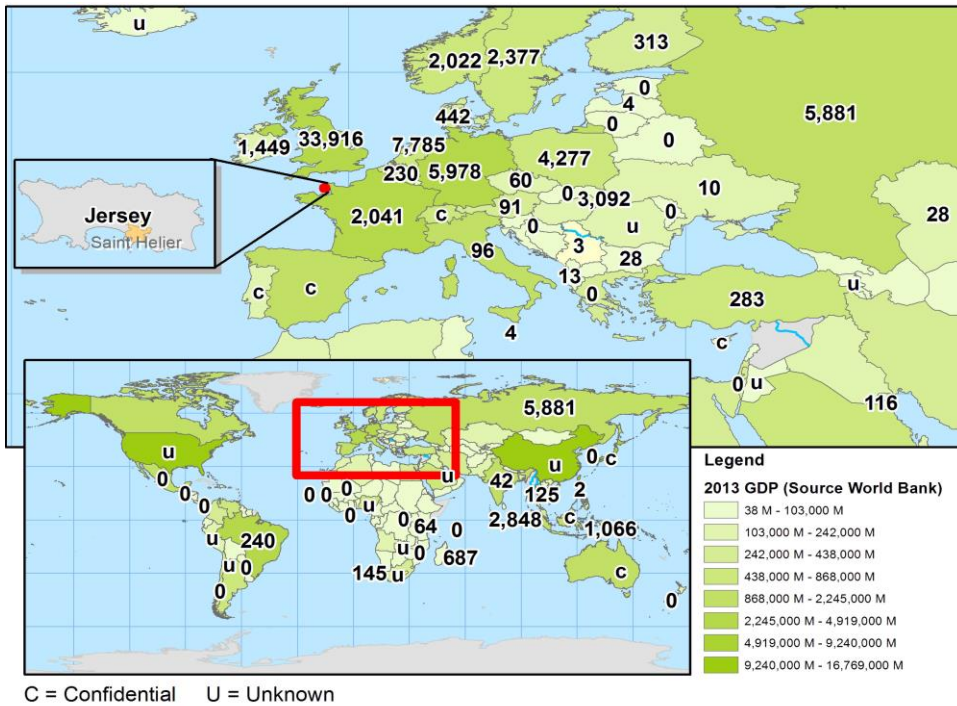


Source: Investment Consulting Associates – ICA (2014)

In line with previous findings, the UK functions as Jersey’s main source for its FDI stock, accounting for \$36.9 billion (£23.5 billion) or 56.3%. The UK is followed by Ireland, which represents a value of \$9.6 billion (£6.1 billion or 14.6%) and Russia, which accounts for \$5.1 billion (£3.2 billion or 7.8%). France follows, as it registered \$2.6 billion (£1.7 billion or 3.9%) of FDI stock in Jersey. Two Commonwealth countries, India and South Africa, complement the top source countries, with an inward FDI stock of \$3.1 billion (£2.0 billion or 4.8%) and \$2.1 billion (£1.3 billion or 3.1%), respectively.

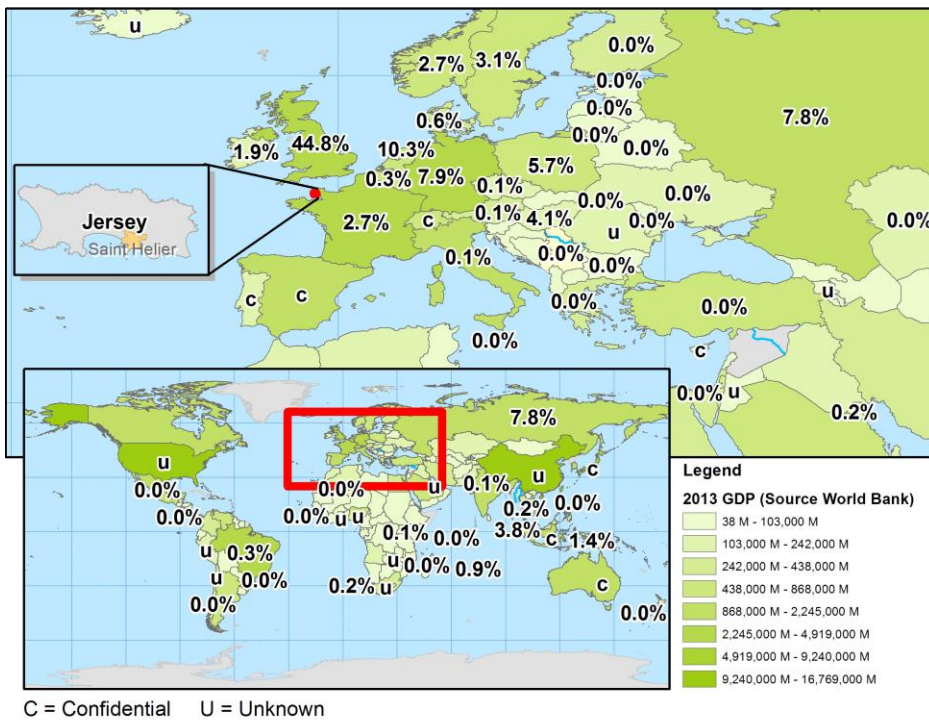
As compared to inward FDI stock, Jersey’s outward FDI stock indicates existing destination markets. As becomes clear from Figure 4 and Figure 5 the UK again accounts for the largest share with a reported \$33.9 billion (£21.6 billion or 44.8%). The destination counterpart economies of Jersey’s outward FDI stock seem to differ from the geographical scope of Jersey’s inward FDI stock as the Netherlands (10.3%), Germany (7.9%), Russia (7.8%), Poland (5.7%), Hungary (4.1%), Sweden (3.1%), Norway (2.7%) and France (2.7%) appear, each representing values of over \$2.0 billion (£1.3 billion) of outward Jersey FDI stock. As such, Jersey’s outward FDI stock is more varied in terms of counterpart economies as its inward FDI stock originates mainly from Commonwealth source economies (UK, Ireland, India and South Africa). Exceptions include Singapore and Indonesia, which accounted for \$2.8 billion (£1.8 billion or 3.8%) and \$1.1 billion (£700 million or 1.4%), respectively, but of which no Jersey inward FDI stock statistics have been recorded.

Figure 4 Jersey's absolute outward FDI stock, 2012 (GDP in US\$ million)



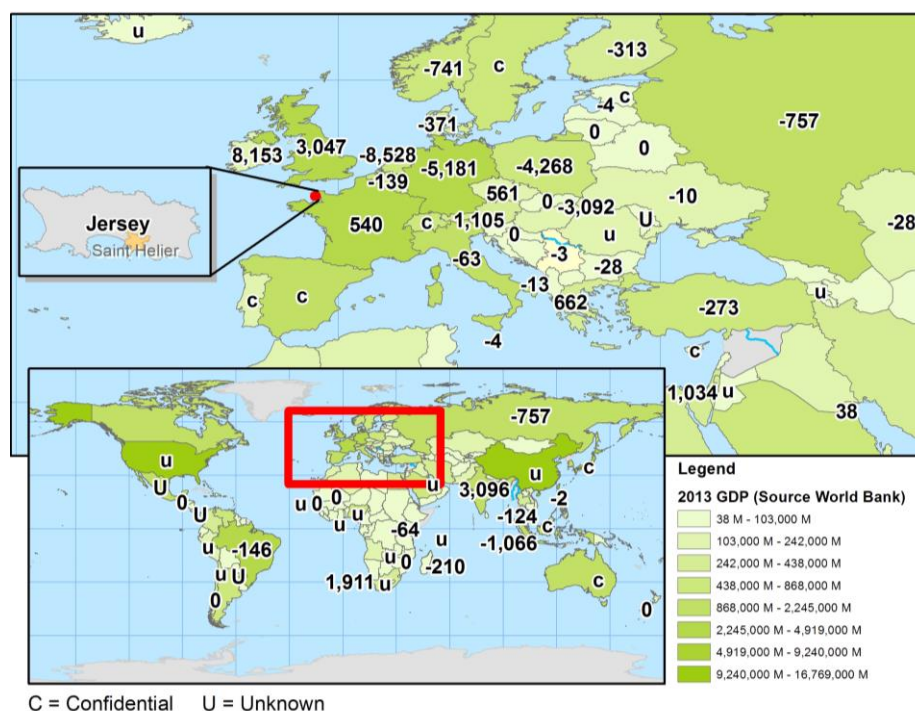
Source: Investment Consulting Associates – ICA (2014)

Figure 5 Jersey's relative outward FDI stock, 2012 (GDP in US\$ million)



Source: Investment Consulting Associates – ICA (2014)

Figure 6 Balance of Jersey's FDI stock, 2012 (GDP in US\$ million)



Source: Investment Consulting Associates – ICA (2014)

Combining the two strands of inward and outward FDI stock allows derivation of the balance between Jersey and (some of its) counterpart economies as is visualised by Figure 6. On the whole, Jersey's balance of FDI stock is negative, with a deficit value of \$7.7 billion (£4.9 billion). Positive values indicate Jersey possesses a surplus of FDI stock of the particular counterpart economy whereas a negative value indicates the opposite. The former appears to be the case for Ireland and (to a lesser extent) the UK, India, South Africa, Austria and Israel, of which the surplus of Jersey's FDI stock exceeds \$1 billion (£630 million) for each. On the contrary, the Netherlands seems to be the counterpart economy of which Jersey's FDI stock deficit is the largest since this deficit accounts for \$8.5 billion (£5.4 billion).

Ireland and the UK appear to be the main contributors to Jersey's FDI stock, whilst bilateral FDI stocks of Jersey vis-à-vis countries on the European continent (Netherlands, Germany, Poland, Hungary, Russia, Norway, Denmark and Finland) are mostly negative. This finding is partly in line with the findings of the OECD data on FDI flows. However, these conclusions are based on ambiguous and non-exhaustive statistics and need to be read with extreme caution.

### 1.3 Inbound and Outbound Greenfield FDI

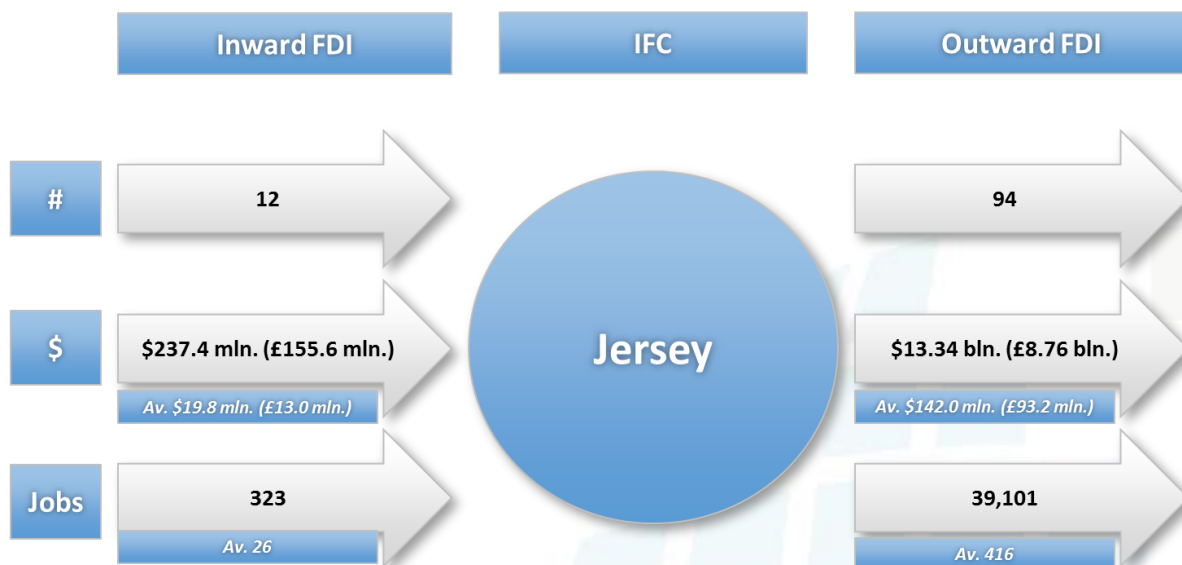
The FDI assessment of Greenfield investments is based on the [fDiMarkets.com](http://fDiMarkets.com) database which tracks Greenfield investment projects as well as expansion (i.e. Brownfield) FDI projects. It does not include mergers and acquisitions (M&As) or other equity-based or non-equity investments because it focuses only on physical investments. The data presented includes FDI projects that have either been announced or opened by a company. The data on capital investment and job creation is based on the investment the company is making at the time of the project announcement or opening.

As companies can raise capital locally, phase their investment over a period of time, and can channel their investment through different countries for efficiency, the data used here is different compared to the official UNCTAD, IMF and OECD data on FDI flows and stock presented earlier. In our view, the data of fDiMarkets.com is a more accurate reflection of the real foreign investments companies are making in their overseas subsidiaries, and how this stimulates the economy in terms of invested capital expenditures (capex) and newly created jobs.

A drawback of the fDiMarkets.com database is that Jersey has been classified under the UK. This implies no FDI projects have been registered between the UK and Jersey as this is considered as “domestic” investment. Nevertheless, it provides very valuable evidence for Greenfield FDI projects to and from Jersey. As the database has been improved, capturing more data over the years, performing trend analyses might undermine results and interpretation.

The key determinants of Greenfield FDI projects registered for Jersey are summarised in Figure 7. The database of fDiMarkets.com registered a total of 12 inward FDI projects for Jersey, whilst 94 FDI projects originated from Jersey. As the database has administered projects from 2003 to 2014 onwards, the aggregated numbers of the FDI projects can be considered as “stock” of Greenfield FDI. Together, the 12 inward FDI projects accounted for \$237.4 million (£155.6 million) and created 323 direct jobs on Jersey whilst the 94 FDI projects sources from Jersey represented an aggregated value of \$13.34 billion (£8.76 billion), creating over 39,000 foreign jobs. It might be expected these actual numbers are larger as the UK is not included as FDI destination or source country. An average Jersey inward-FDI project accounts for \$19.8 million (£13.0 million) and creates 26 new jobs whilst a Jersey-outward FDI project represents a value of \$142.0 million (£93.2 million), creating 416 new jobs. Evidently, as the number and value of FDI projects as well as the newly created jobs of Jersey’s outward FDI significantly outperforms Jersey’s inward FDI, Jersey’s FDI balance in terms of Greenfield is negative – directly contributing to economic development abroad.

Figure 7 Key determinants of Jersey's Greenfield FDI, 2003-2014



Source: Investment Consulting Associates – ICA (2014) based on fDiMarkets.com (2014)



### 1.3.1 Inbound Greenfield FDI

Examining Greenfield FDI projects which are destined for Jersey can shine a light on whether Jersey, as an IFC itself, attracts FDI, particularly in its finance industry. The 12 inward FDI projects that have been recorded for Jersey are all operations which have been established from scratch. In other words, Jersey has only attracted Greenfield FDI; inward Brownfield FDI is absent.

Producing statistics on only 12 cases is not very meaningful. Nevertheless, it can be of value to have a closer look at the source countries as presented in Table 3. It shows the main source countries are (former) Commonwealth countries, just as the OECD and IMF data demonstrated previously. France is the only non-Commonwealth source country whilst Bermuda and Luxembourg are fellow IFCs. The relative distribution in terms of capital value and new employment are in line with the relative distribution of number of projects: US inward FDI, accounting for a third of the projects, represents roughly a third of the share of value and employment. It should be noted again the data does not include the UK as source country. It is likely the actual number of inward FDI is higher.

Table 3 Jersey's inward Greenfield FDI stock per source country, 2003-2014

Source Country	Number of FDI Projects		Value of FDI Projects (US\$ million)		Newly Created Jobs	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
United States	4	33.3%	103.6	43.6%	125	38.7%
Ireland	2	16.7%	36.6	15.4%	36	11.1%
South Africa	2	16.7%	39.5	16.6%	48	14.9%
Bermuda	1	8.3%	35.6	15.0%	33	10.2%
Canada	1	8.3%	12.6	5.3%	37	11.5%
France	1	8.3%	1.6	0.7%	13	4.0%
Luxembourg	1	8.3%	7.9	3.3%	31	9.6%
<b>Total</b>	<b>12</b>	<b>100.0%</b>	<b>237.4</b>	<b>100.0%</b>	<b>323</b>	<b>100.0%</b>

Source: fDiMarkets.com (2014)

Table 4 shows the majority of inward FDI projects is concentrated in two industries that make up (part of) Jersey's IFC: Financial Services and Business Services account for nine projects, which have a combined value of \$166.9 million (£109.5 million), creating 235 jobs. These numbers roughly reflect the relative distribution. The other three industries, Hotels & Tourism, Minerals and Software & IT Services, can be clients of the IFC or indirectly associated with Jersey's IFC but do certainly not compose Jersey's international financial industry. Against what is expected, the Hotel & Tourism FDI project has a considerably higher value of \$56.3 million (£35.9 million), thereby exceeding its share in number of FDI projects (23.7% against 6.3%, respectively). The opposite is true for the Software & IT Services FDI project. This difference can be explained along the lines of the capital-intensive nature of certain industries.

Table 4 Jersey's inward Greenfield FDI stock per industry, 2003-2014

Industry	Number of FDI Projects		Value of FDI Projects (US\$ million)		Newly Created Jobs	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
Financial Services	8	75.0%	159.0	67.0%	204	63.2%
Business Services	1	6.3%	7.9	3.3%	31	9.6%
Hotels & Tourism	1	6.3%	56.3	23.7%	38	11.7%
Minerals	1	6.3%	12.6	5.3%	37	11.5%
Software & IT services	1	6.3%	1.6	0.7%	13	4.02%
<b>Total</b>	<b>12</b>	<b>100.0%</b>	<b>237.4</b>	<b>100.00%</b>	<b>323</b>	<b>100.00%</b>

Source: fDiMarkets.com (2014)

Jersey's IFC

Other Jersey Industries

In case the nine FDI projects of Jersey's IFC are further examined on sub-industry level, as Table 5 does, it appears that seven FDI projects have been recorded for IFC's "core activities" (e.g. Investment Funds and Banking) whilst the other two FDI projects represent projects in "supporting activities" (e.g. Accounting and Insurance). Whilst the Accounting FDI project is slightly more labour-intensive, the Insurance FDI project is rather limited in size.

Table 5 Jersey's inward Greenfield FDI stock per sub-industry, 2003-2014

Industry	Number of FDI Projects		Value of FDI Projects (US\$ million)		Newly Created Jobs	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
Investment Management	3	33.3%	75.1	45.0%	80	34.0%
Corporate & Investment Banking	3	33.3%	72.0	43.1%	69	29.4%
Retail banking	1	11.1%	7.9	4.7%	31	13.2%
Accounting	1	11.1%	10.9	6.5%	51	21.7%
Insurance	1	11.1%	1	0.6%	4	1.7%
<b>Total</b>	<b>9</b>	<b>100.0%</b>	<b>166.9</b>	<b>100.0%</b>	<b>235</b>	<b>100.0%</b>

Source: fDiMarkets.com (2014)

Core Activities

Supporting Activities

### 1.3.2 Outbound Greenfield FDI

As already indicated, Greenfield FDI originating from Jersey accounted for a total of 94 projects from 2003 to 2014, creating around 39,101 new direct jobs. The total flow of Jersey's outward Greenfield FDI amounted up to \$13.34 billion (£8.76 billion) over the same period. Exploring these figures and statistics in-depth allows to assess Jersey's contribution to foreign economic development through FDI and completes the picture of Jersey's role as facilitator of FDI.

Out of the 94 projects, only 13 FDI projects involved the modernising or expansion of existing facilities (i.e. Brownfield FDI). The vast majority of Jersey's outward FDI relates to Greenfield FDI. A diverse pattern appears as regards to the destination of Jersey's outward Greenfield FDI as Table 6 proves. Three-fifths of the FDI projects are located in the EU (20.2%), Middle East (20.2%) and Africa (19.1%). Within the EU, Poland has attracted the greatest number of Jersey outward FDI projects (six), followed by Luxembourg (four) and Slovakia (two). For the Middle East, Turkey (seven), the UAE (five) and Bahrain (three) represent the largest destination markets whilst Uganda, with three FDI projects, is the leading African destination country. Two FDI projects in Mexico and two in the

Cayman Islands account together for the four Central American projects whilst one FDI project in Papua New Guinea and Colombia represent the Pacific and South America, respectively.

Comparing the relative distribution of the number of attracted FDI projects vis-à-vis the relative distribution of attracted capital and newly created jobs provides an indication of the nature of Jersey's Greenfield FDI projects. Africa appears to be the destination region which is relatively overrepresented in attracting Jersey outward FDI capital (36.4% compared to 19.1%), indicating capital-intensive FDI projects whilst FDI projects located in the EU (11.4% compared to 20.2%), Central America (2.2% compared to 4.3%), China (1.0% compared to 4.3%), India (2.0% compared to 4.3%) and North America 0.2% compared to 4.3%) tend to be relatively capital-extensive projects. On the other hand, Jersey outward FDI projects creating relatively more jobs are located in the EU (31.8% compared to 20.2%), Africa (24.1% compared to 19.1%), Russia (10.7% compared to 7.4%) and India (7.6% compared to 4.3%). On the whole, Africa seems to be the continent which relatively profits most from Jersey's outward Greenfield FDI as its shares of attracted capital and newly created jobs are larger than its share of actual FDI projects sourced from Jersey.

Table 6 Jersey's outward Greenfield FDI stock per destination region, 2003-2014

Source Region	Number of FDI Projects		Value of FDI Projects (US\$ million)		Newly Created Jobs	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
EU	19	20.2%	1,526	11.4%	12,443	31.8%
Middle East	19	20.2%	3,371	25.3%	7,815	20.0%
Africa	18	19.1%	4,856	36.4%	9,417	24.1%
Asia	12	12.8%	1,727	12.9%	1,696	4.3%
Russia	7	7.4%	1,043	7.8%	4,167	10.7%
Central America	4	4.3%	294	2.2%	228	0.6%
China	4	4.3%	132	1.0%	124	0.3%
India	4	4.3%	267	2.0%	2,958	7.6%
North America	4	4.3%	31	0.2%	112	0.3%
Pacific	1	1.1%	35	0.3%	65	0.2%
South America	1	1.1%	31	0.2%	55	0.1%
Switzerland	1	1.1%	31	0.2%	21	0.1%
<b>Total</b>	<b>94</b>	<b>100.0%</b>	<b>13,344.3</b>	<b>100.0%</b>	<b>39,101</b>	<b>100.0%</b>

Source: fDiMarkets.com (2014)

The largest industry in which Greenfield FDI projects are sourced from Jersey, is the Business Services industry (24). FDI projects originating from this industry concern the establishment of an office or operations unit which are of supportive nature to other companies or intra-company units by developing sales, commercialising and marketing the company's products or services and providing customer support (e.g. overseas and representative offices). The Business Services industry is followed by Real Estate (20), Financial Services (14), Metals (14) and Coal, Oil and Natural Gas (11). As such, Jersey's outward Greenfield FDI stock is largely concentrated in the services industry (Business Services and Financial Services), construction (Real Estate) and natural resources (Metals and Coal, Oil and Natural Gas).

In terms of the relative distribution, the Real Estate industry seems to outperform most other industries regarding both capital (27.3% compared with 21.3%) and newly created jobs (58.0% compared with 21.3%). In total, this industry accounts for a value of \$3.64 billion (£2.33 billion), thereby creating 22,689 new jobs. This should come as no real surprise since this industry is engaged with the construction of large commercial and institutional buildings, implying labour- as well as capital-intensive projects. A similar, though less extreme picture is traceable for the Metals industry, which is overrepresented in terms of attracted capital and newly created jobs. The Coal, Oil and Natural Gas industry is the most capital-intensive (36.2% compared with 11.7%) with a total value of \$4.8 billion (£3.06 billion). Business Services, despite the largest industry in terms of number of FDI projects, seems to contribute relatively little to economic development with only a total value of \$222.0 million (£142.0 million or 1.7%) and 2,315 jobs (5.9%). The same observation is true for the Financial Services industry.

Table 7 Jersey's outward Greenfield FDI stock per industry and sub-industry, 2003-2014

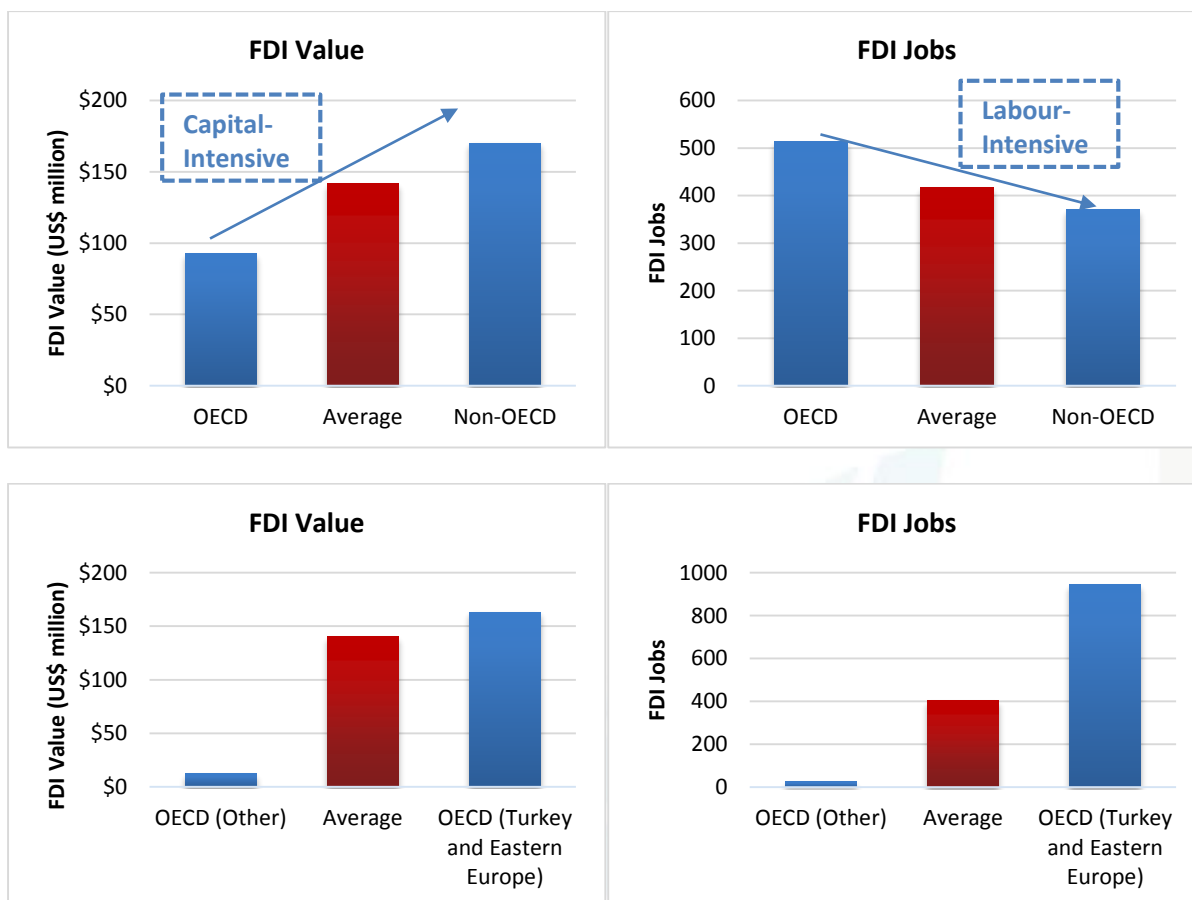
Industry and Sub-Industry	Number of FDI Projects		Value of FDI Projects (US\$ million)		Newly Created Jobs	
	Abs.	Rel.	Abs.	Abs.	Rel.	Abs.
<b>Business Services</b>	<b>24</b>	<b>25.5%</b>	<b>222</b>	<b>1.7%</b>	<b>2,315</b>	<b>5.9%</b>
Accounting	1	1.1%	7	0.1%	118	0.3%
Architectural & Engineering	1	1.1%	13	0.1%	100	0.3%
Legal services	21	22.3%	188	1.4%	1,419	3.6%
Professional, Scientific & Technical Services	1	1.1%	15	0.1%	678	1.7%
<b>Real Estate</b>	<b>20</b>	<b>21.3%</b>	<b>3,641</b>	<b>27.3%</b>	<b>22,689</b>	<b>58.0%</b>
Commercial & Institutional Building Construction	17	18.1%	3,060	22.9%	18,044	46.1%
Industrial Building Construction	1	1.1%	309	2.3%	2,959	7.6%
Real estate Services	2	2.1%	272	2.0%	1,686	4.3%
<b>Financial Services</b>	<b>14</b>	<b>14.9%</b>	<b>430</b>	<b>3.2%</b>	<b>569</b>	<b>1.5%</b>
Corporate & Investment Banking	6	6.4%	221	1.7%	268	0.7%
Investment Management	8	8.5%	208	1.6%	301	0.8%
<b>Metals</b>	<b>14</b>	<b>14.9%</b>	<b>2,730</b>	<b>20.5%</b>	<b>9,669</b>	<b>24.7%</b>
Gold Ore & Silver Ore Mining	9	9.6%	1,638	12.3%	6,059	15.5%
Iron Ore Mining	2	2.1%	273	2.0%	1,406	3.6%
Nonferrous Metal Production & Processing	2	2.1%	550	4.1%	806	2.1%
Other Metal Ore Mining	1	1.1%	270	2.0%	1,398	3.6%
<b>Coal, Oil and Natural Gas</b>	<b>11</b>	<b>11.7%</b>	<b>4,831</b>	<b>36.2%</b>	<b>1,732</b>	<b>4.4%</b>
Oil & Gas Extraction	8	8.5%	4,635	34.7%	1,573	4.0%
Petroleum & Coal Products	1	1.1%	164	1.2%	39	0.1%
Support Activities for Mining & Energy	2	2.1%	32	0.2%	120	0.3%
Biomass Power	1	1.1%	272	2.0%	20	0.1%
<b>Communications</b>	<b>3</b>	<b>3.2%</b>	<b>80</b>	<b>0.6%</b>	<b>239</b>	<b>0.6%</b>
Communications Equipment	1	1.1%	33	0.2%	96	0.2%
Wired Telecommunication Carriers	2	2.1%	47	0.4%	143	0.4%
<b>Minerals</b>	<b>2</b>	<b>2.1%</b>	<b>96</b>	<b>0.7%</b>	<b>436</b>	<b>1.1%</b>
Non-Metallic Mineral Mining & Quarrying	2	2.1%	96	0.7%	436	1.1%

	Number of FDI Projects		Value of FDI Projects (US\$ million)		Newly Created Jobs	
<b>Software &amp; IT services</b>	<b>2</b>	<b>2.1%</b>	<b>21</b>	<b>0.2%</b>	<b>50</b>	<b>0.1%</b>
Software Publishers	2	2.1%	21	0.2%	50	0.1%
<b>Transportation</b>	<b>1</b>	<b>1.1%</b>	<b>11</b>	<b>0.1%</b>	<b>93</b>	<b>0.2%</b>
Gas Pipelines	1	1.1%	11	0.1%	93	0.2%
<b>Chemicals</b>	<b>1</b>	<b>1.1%</b>	<b>1,000</b>	<b>7.5%</b>	<b>1,200</b>	<b>3.1%</b>
Basic Chemicals	1	1.1%	1,000	7.5%	1,200	3.1%
<b>Medical Devices</b>	<b>1</b>	<b>1.1%</b>	<b>11</b>	<b>0.1%</b>	<b>89</b>	<b>0.2%</b>
Medical Equipment & Supplies	1	1.1%	11	0.1%	89	0.2%
<b>Total</b>	<b>94</b>	<b>100.0%</b>	<b>13,344.3</b>	<b>100.0%</b>	<b>39,101</b>	<b>100.0%</b>

Source: fDiMarkets.com (2014)

Based on the sample of 94 projects, an average FDI project sourced from Jersey represents a value of \$142.0 million (£93.2 million), thereby creating 416 jobs. When this is distinguished per geography, it appears Jersey-funded FDI projects located in *OECD countries* represent a higher investment value (i.e. more capital-intensive) but which create fewer jobs (i.e. less labour-intensive) than Jersey-funded FDI projects located in *non-OECD countries*: \$92.5 million (£59.2 million) against \$170.0 million (£111.6 million) and 514 against 371 new jobs, respectively. This is visualised by the figures below, of which the top-left figure shows the average FDI value whilst the top-right figure demonstrates the average number of newly created jobs per FDI project.

Figure 8 Comparison of on-average Jersey outward FDI projects per destination region, 2003-2014

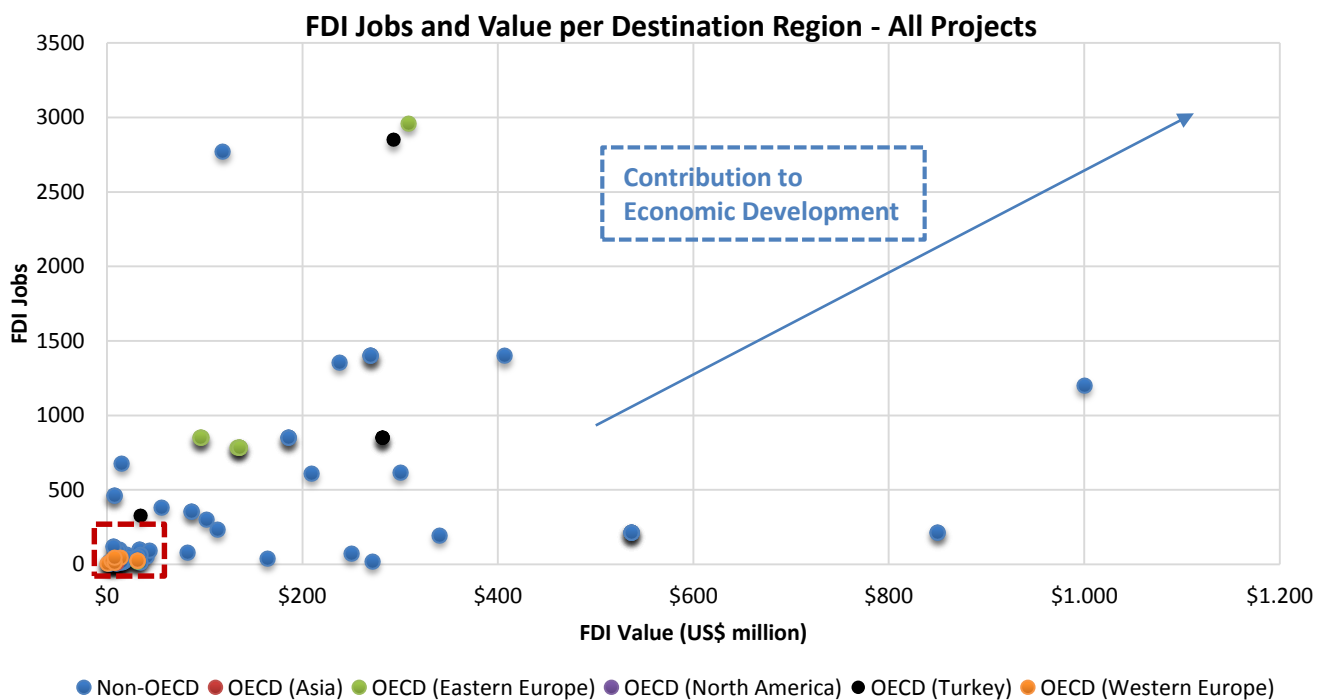


Source: Investment Consulting Associates – ICA (2014) based on fDiMarkets.com (2014)

However, a considerable number of large FDI projects sourced through Jersey have been located in less developed OECD countries (i.e. Turkey and Eastern European countries), which undermines the comparison of average FDI project values between OECD and non-OECD countries. When these relatively less developed OECD countries are excluded, an average Jersey-funded Greenfield FDI project located in an OECD country is “only” worth \$12.4 million (£7.9 million), creating no more than 26 jobs.

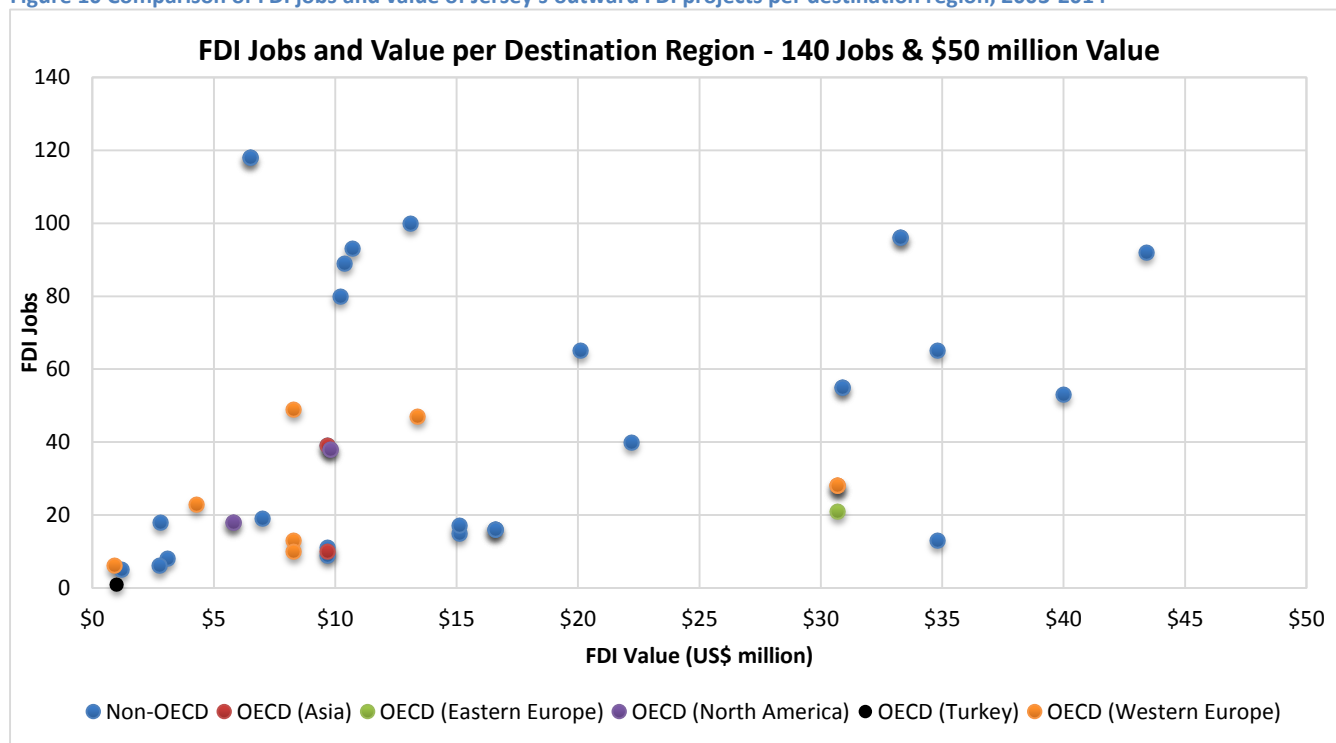
This indicates that Greenfield FDI projects funded through Jersey located in more developed countries generally require less capital and create fewer jobs than in less developed countries. When the destination country is a non-OECD or less developed OECD country, investment values and the number of newly created jobs tend to be higher. As such, direct FDI sourced from Jersey contributes more to economic development in emerging and developing OECD economies vis-à-vis more advanced OECD economies. This is visualised in Figure 9 and Figure 10. FDI projects in the top-right corner indicate labour-intensive FDI projects with a high capital value. Most projects which generated more than 140 new jobs and/or accounted for a value of exceeding \$50 million (£32 million) were located in non-OECD countries. A handful of FDI projects of this calibre were located in Turkey or Eastern European OECD countries. Apart from one FDI project of \$31 million (£19.8 million), all other FDI projects originated from Jersey and located in Asian, North American or Western European OECD countries represented a minimal size varying from 9 to 49 jobs and from \$1 million (£630,000) to \$13 million (£8.3 million) (see Figure 10).

Figure 9 Comparison of FDI jobs and value of Jersey's outward FDI projects per destination region, 2003-2014



Source: Investment Consulting Associates – ICA (2014) based on fDiMarkets.com (2014)

Figure 10 Comparison of FDI jobs and value of Jersey's outward FDI projects per destination region, 2003-2014



Source: Investment Consulting Associates – ICA (2014) based on fDiMarkets.com (2014)

### 1.3.3 Synopsis

Combining the previous analyses of FDI flows, stock and Greenfield provides a holistic picture of Jersey's role as IFC. As emphasised earlier, particularly the results of FDI flows and FDI stock should be treated with some caution due to the absence of data for particular countries and differences in data collection, methodologies and definitions. For instance, the analyses of FDI flows and stock include the UK whilst the Greenfield FDI does not due to methodological differences. On the other hand, the analysis of Greenfield FDI includes a wide array of emerging economies, of which data is absent in the FDI flows and stock analyses. Acknowledging the fact that more comprehensive and consistent data sources are absent, the analyses of FDI flows and stock complement the analysis of Greenfield FDI and collectively allow to construct a view on Jersey's role as IFC for FDI.

The analyses on FDI flows and stock both underline the relatively large role the UK possesses regarding FDI to and from Jersey. This is not surprising as FDI flows and stock are interrelated concepts. In particular, the UK acts as source country for FDI pooled in Jersey.

The observations on Jersey's Greenfield FDI projects confirm the outcomes of Jersey's expected role as IFC. On the one hand, it acts as facilitator of FDI in that it translates assets originating from other source countries into real Greenfield FDI abroad. After all, Jersey's population of nearly a 100,000 is certainly not capable of funding \$13.34 billion (£8.76 billion) of outward FDI. This requires the inflow of assets from counterpart economies.

The nature of outward FDI projects originating from Jersey exactly reflects the purposes and services of an IFC. FDI projects originating from Jersey can roughly be classified into two groups according to several project and location characteristics:

1. FDI projects in construction and natural resources industries in emerging and developing OECD economies, with a relatively higher investment value and higher number of newly created jobs per average project; and
2. FDI projects in the services industry in more advanced OECD economies and other IFCs with a relatively lower investment value and lower number of newly created jobs per average project.

Despite the fact that one out of four FDI projects channelled through Jersey is located in the EU or North America, the largest share of FDI projects directed through Jersey is located in Africa, Asia, Middle East and Russia. By offering a stable and predictable investment climate based on well-defined institutional, fiscal and legal frameworks, Jersey enables investors to invest in capital-intensive FDI projects in countries which are less stable and well-regulated, substantially decreasing the risk of the FDI project. In other words, investing via Jersey's IFC enhances the profitability of these very FDI projects. In the absence of Jersey and its IFC, these flows of FDI to emerging economies would most likely not have occurred. Jersey thus contributes relatively more to economic development in emerging and developing OECD economies than in advanced OECD economies.

On the other hand, as Jersey operates as IFC itself, it attracts – though to a limited degree – FDI in the finance industry which complements its existing cluster of advanced financial services, enhancing its critical-mass and IFC cluster by diversifying services and activities. Combined, FDI projects enabled by means of the products and services of Jersey's IFC, contribute to a global re-configuration of the FDI landscape whilst it also increases the size of the FDI landscape.



## Chapter 2 - A Sector Deep-Dive

As mentioned earlier, Jersey's IFC as a collective supports and facilitates the process of attracting, pooling and redistributing FDI. Through performing these activities and delivering these services, Jersey adds significant value to the cross-border transfer of assets and liabilities. Business practitioners active in Jersey as well as external scientific sources (e.g. scientific articles, journals, reports, publications) acknowledge the complexity of disentangling the various activities and services offered by Jersey's IFC since these activities and services strongly complement each other. In other words, the degree of overlap among the various activities is too large to evaluate each activity's FDI performance individually.

Nevertheless, the activities and services previously mentioned can be analysed in-depth in order to shine light on sources and destinations of assets as to determine Jersey's role in the cross-border transfer of FDI. These assessments are based on data derived from a survey conducted by Capital Economics in 2012 and 2013, which is published in its report "Jersey's Value to Britain", and remain the most detailed data currently available. This data is complemented with data on Jersey's capital markets and Greenfield FDI. Together, the data of the individual markets acts as proxy to define Jersey's position in the global landscape of FDI. The synopsis presented elaborates on this by integrating key sources and destinations of FDI channelled by Jersey's IFC.

### 2.1 Banking

Table 8 provides an indication of the sources of funding for Jersey-based banks. About £112.2 billion (55% of the total liabilities) of the funding of Jersey's banks is represented by customer deposits whilst interbank deposits and other liabilities collectively account for £91.8 billion. Of the total consolidated liabilities, about two-thirds of the funding collected by Jersey's banks is "up-streamed" to their parents' operations, mostly located in the City of London. Out of the total liabilities of Jersey's banks, £48.2 billion (24%) is derived from UK sources, of which the majority is corporate: £27.5 billion (13% of the total liabilities). This is similar to the EU, which is a source of £27.6 billion (14%) of the funding of Jersey's banks. Out of the non-EU world, which account for £118.2 billion (58%) of the consolidated liabilities of Jersey's banks, North America represents the largest source (£36.6 billion or 18%), followed by Guernsey (£15.3 billion or 8%) and Switzerland (£14.0 billion or 7%).

**Table 8 Indicative estimate of the consolidated liabilities of the Jersey banks allocated to the country of residence of the underlying economic interest, 2011 (£ million)**

£ million, 2011	Customer deposits		Interbank deposits and other liabilities	Total liabilities	
	Abs.	Rel.		Abs.	Rel.
<b>Jersey</b>	<b>4,092</b>	<b>4%</b>	<b>5,824</b>	<b>9,916</b>	<b>5%</b>
<b>United Kingdom</b>	<b>38,430</b>	<b>34%</b>	<b>9,767</b>	<b>48,197</b>	<b>24%</b>
<i>Of which Private Non-Dom</i>	11,298	10%	0	11,298	6%
<i>Of which Private not Non-Dom</i>	9,368	8%	0	9,368	5%
<i>Corporate</i>	17,763	16%	9,767	27,530	13%
<b>EU</b>	<b>10,440</b>	<b>9%</b>	<b>17,185</b>	<b>27,625</b>	<b>14%</b>
<b>Non-EU world</b>	<b>59,236</b>	<b>53%</b>	<b>58,994</b>	<b>118,230</b>	<b>58%</b>
<i>Of which</i>					
<i>Guernsey</i>	354	0%	14,947	15,301	8%

£ million, 2011	Customer deposits		Interbank deposits and other liabilities	Total liabilities	
	Abs.	Rel.		Abs.	Rel.
Switzerland	12,926	12%	1,124	14,051	7%
Russia	5,498	5%	385	5,883	3%
North America	5,401	5%	31,217	36,618	18%
South America	4,088	4%	5,211	9,299	5%
Middle East	9,521	8%	542	10,063	5%
Africa	9,424	8%	93	9,518	5%
China	2,936	3%	615	3,551	2%
India	2,513	2%	615	3,127	2%
Other Asia Pacific	6,575	6%	2,454	9,029	4%
<b>Total</b>	<b>112,198</b>	<b>100%</b>	<b>91,770</b>	<b>203,968</b>	<b>100%</b>

Source: Capital Economics, "Jersey's Value to Britain" (2013)

## 2.2 Trusts settled by Private Individuals

Assets from private individual settlors with a value of nearly £400 billion were held in Jersey trusts and other investment vehicles as Table 9 indicates. Around £174.0 billion ultimately originated from the UK, which accounts for two-fifths of the total value. Most of these assets owned by non-doms (£156.4 billion or 40%). Other main regional sources of Jersey trusts (for those which report private individuals' assets) include Other Asia Pacific (14%), EU (10%) and Africa (8%). A similar observation is traceable for the location of ultimate beneficiaries as the UK represents a rather equal portion of £177.7 billion, which accounts for 45%, followed by Asia Pacific, the EU and Middle East.

The location of assets held in Jersey trusts is clearly UK-orientated as 49% of the assets are located in the UK, representing a total value of £192.9 billion, followed on a distance by the EU (£111.6 billion or 19%), the Middle East (£23.1 billion or 6%), Russia (£20.5 billion or 5%) and Africa (£20.0 billion or 5%). Only a small portion of the assets held in Jersey trusts is located in Jersey (£12.9 billion or 3%).

Table 9 Indicative estimate of the value of assets held in Jersey settled by private individuals by residence of ultimate settlor and beneficiary, and location of assets\*, 2011 (£ million)

Net Asset Value, £ million, 2011	Settlors		Beneficiaries		Assets*	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
<b>Jersey</b>	<b>8,163</b>	<b>2%</b>	<b>4,056</b>	<b>1%</b>	<b>12,920</b>	<b>3%</b>
<b>United Kingdom</b>	<b>174,016</b>	<b>44%</b>	<b>177,618</b>	<b>45%</b>	<b>192,859</b>	<b>49%</b>
<i>Of which Res Non-Dom</i>	156,378	40%	134,792	34%	-	-
<b>EU</b>	<b>40,693</b>	<b>10%</b>	<b>47,584</b>	<b>12%</b>	<b>73,760</b>	<b>19%</b>
<b>Non-EU world</b>	<b>168,321</b>	<b>43%</b>	<b>161,936</b>	<b>41%</b>	<b>111,655</b>	<b>29%</b>
<i>Of which</i>						
Switzerland	7,895	2%	8,094	2%	6,919	2%
Russia	15,478	4%	8,171	2%	20,451	5%
North America	8,580	2%	6,525	2%	4,034	1%
South America	1,691	0%	1,536	0%	10,866	3%
Middle East	14,728	4%	38,044	10%	23,137	6%
Africa	30,971	8%	18,853	5%	19,982	5%
China	1,016	0%	1,510	0%	-	0%
India	6,381	2%	4,519	1%	8,727	2%
Other Asia Pacific	54,650	14%	48,049	12%	11,533	3%
<b>Total</b>	<b>391,193</b>	<b>100%</b>	<b>391,193</b>	<b>100%</b>	<b>391,193</b>	<b>100%</b>

Source: Capital Economics, "Jersey's Value to Britain" (2013)

\*Note: Data on location of assets include assets in trust and special purpose vehicles settled by institutional clients

## 2.3 Trusts settled by Companies and Institutions

In terms of the value of assets of trusts with corporate and institutional purposes held in Jersey, the location of settlors and beneficiaries closely match each other. Assets valued nearly £450 billion are held in trusts with corporate and institutional purposes. Table 10 shows that the UK represents very similar values for both the location of ultimate settlors as the location of ultimate beneficiaries. The same holds true for settlors and beneficiaries originating from the non-EU world (both 27%), the EU (27% and 25%), and Jersey (13% and 14%). There is a slight difference when comparing the settlors and beneficiaries resident in Switzerland (£25.0 million and £2.9 billion, respectively) and in the Middle East (£20.8 billion and £14.1 billion, respectively).

In terms of the location of assets, the majority is located in the UK, accounting for £221.4 billion (49%), followed by the EU (£84.6 billion or 19%), the Middle East (£26.6 billion or 6%), Russia (£23.5 billion or 5%) and Africa (£22.9 billion or 5%). Again, mirroring the observation for trusts for private individuals, the proportion of assets located in Jersey is limited (£14.8 billion or 3%).

**Table 10 Indicative estimate of the value of assets settled by corporate or institutional clients in Jersey trusts or similar vehicles by residence of ultimate settlor and beneficiary, and location of assets\*, 2011 (£ million)**

Net Asset Value, £ million, 2011	Settlors		Beneficiaries		Assets*	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
<b>Jersey</b>	<b>57,972</b>	<b>13%</b>	<b>63,100</b>	<b>14%</b>	<b>14,829</b>	<b>3%</b>
<b>United Kingdom</b>	<b>149,237</b>	<b>33%</b>	<b>148,789</b>	<b>33%</b>	<b>221,366</b>	<b>49%</b>
<b>EU</b>	<b>121,131</b>	<b>27%</b>	<b>114,467</b>	<b>25%</b>	<b>84,662</b>	<b>19%</b>
<b>Non-EU world</b>	<b>120,677</b>	<b>27%</b>	<b>122,660</b>	<b>27%</b>	<b>128,159</b>	<b>29%</b>
<i>Of which</i>						
Switzerland	25	0%	2,953	1%	7,942	2%
Russia	6,220	1%	6,764	2%	23,474	5%
North America	26,231	6%	28,421	6%	4,630	1%
South America	3	0%	6	0%	12,496	3%
Middle East	20,802	5%	14,131	3%	26,557	6%
Africa	535	0%	586	0%	22,936	5%
China	0	0%	0	0%	0	0%
India	1,693	0%	1,847	0%	10,017	2%
Other Asia Pacific	17,915	4%	19,487	4%	13,238	3%
<b>Total</b>	<b>449,017</b>	<b>100%</b>	<b>449,017</b>	<b>100%</b>	<b>449,017</b>	<b>100%</b>

Source: Capital Economics, "Jersey's Value to Britain" (2013)

\*Note: Data on location of assets include assets in trust and special purpose vehicles settled by institutional clients

## 2.4 Investment Funds

As Table 11 indicates, the main source country for funds invested or held in Jersey is the UK, as two-fifths of funds investors are located in the UK, equal to a value of £77.5 billion of which an insignificant part is invested by non-doms (£7 million or virtually 0%). Over 40 percent of the investments into Jersey funds comes from outside the EU (£83.0 billion), with nearly a quarter originated from North America (£46.8 billion), followed by Switzerland (£19.8 billion or 10%). Via Jersey, the majority of investments in funds is channelled into assets located in the EU (53%), followed by non-EU countries (27%) and the UK (20%) though the UK is the prime destination for investments from Jersey funds. Whilst £234 million of investments is sourced from Jersey locally, Jersey-founded funds do not invest in Jersey.

Table 11 Indicative estimation of the value of funds' assets by location of ultimate investors and assets, 2011 (£ million)

Net Asset Value, £ million, 2011	Ultimate Investors		Assets	Of which property
	Abs.	Rel.	Rel.	Rel.
<b>Jersey</b>	<b>234</b>	<b>0</b>	<b>0%</b>	<b>0%</b>
<b>United Kingdom</b>	<b>77,500</b>	<b>40%</b>	<b>20%</b>	<b>78%</b>
<i>Of which Res Non-Dom</i>	7	0%	0%	0%
<b>EU</b>	<b>32,834</b>	<b>17%</b>	<b>53%</b>	<b>7%</b>
<b>Non-EU world</b>	<b>83,013</b>	<b>43%</b>	<b>27%</b>	<b>15%</b>
<i>Of which</i>				
Switzerland	19,844	10%	1%	0%
Russia	8	0%	0%	0%
North America	46,822	24%	7%	0%
South America	14	0%	0%	0%
Middle East	5,433	3%	0%	0%
Africa	2,083	1%	2%	0%
China	2,172	1%	0%	0%
India	123	0%	0%	0%
<b>Total</b>	<b>193,590</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Capital Economics, "Jersey's Value to Britain" (2013)

## 2.5 Capital Markets

Demonstrated in Table 12, a total of 110 Jersey holding companies are listed on various stock exchanges around the world, particularly the London Stock Exchange (LSE). Over £145 billion of capital has been raised on UK markets, of which the UK Main Market accounts for the largest share. In addition, three companies raised £40.6 billion through Hong Kong's stock exchange whilst two Jersey-based holding companies raised £65.1 billion in Toronto. Unfortunately, no data is available on the ultimate origin of the holding companies, which complicates the assessment of the FDI component.

Table 12 Jersey Listed Companies on Global Exchanges, 2014

Territory	Exchange	Market	No. of Companies	Market Capitalisation (£ million)
United Kingdom	LSE	AIM	57	21
		UK Main Market	38	145,413
		SFM	1	242
Europe	Euronext	Amsterdam	3	1,415
	Luxembourg	Luxembourg Stock Exchange	2	-
Asia	HKEx	Hong Kong Stock Exchange	3	40,621
North America	NASDAQ	NASDAQ	2	16,139
	NYSE	New York Stock Exchange	1	13
	TSE	Toronto Stock Exchange	2	65,075
<b>Total</b>	-	-	<b>110</b>	<b>268,939</b>

Source: Jersey Finance, Fact Sheet "Jersey Holding Companies as Listing Vehicles" (2014)

## 2.6 Synopsis

This chapter has examined the various sub-markets of Jersey's IFC (i.e. banking, trusts, funds and capital markets). Rather, the services offered and the functions and activities performed by Jersey's IFC sub-markets overlap with each other and complement the value proposition of Jersey's finance industry. Jersey's overall financial services industry and related cluster effects (i.e. regulations, economies of scale, presence of law and accounting firms, including the Big Four) is a result of Jersey's appealing proposition for various segments in the financial services industry, which not only attracts significant FDI inflows but also enables significant FDI outflows that stimulate economic development in many different countries across the globe.

Only a small part of inward FDI to Jersey consists of Greenfield FDI projects i.e. the physical activities of firms that have set up and established operations on Jersey from scratch. Between 2003 and 2014, twelve of such projects have been recorded, mostly FDI projects in the financial and business services industry.

As opposed to Jersey's inward Greenfield FDI projects, the number of Jersey's outward Greenfield FDI projects is considerable larger. In the same period (i.e. between 2003 and 2014), 94 FDI projects originating from Jersey have been recorded. Enabled by the attraction and pooling of assets through IFC's sub-markets, Jersey has funded \$13.34 billion (£8.4 billion) worth of Greenfield FDI projects in foreign (mostly emerging) markets, creating over 39,000 direct jobs worldwide. Combined, Jersey's inward and outward Greenfield FDI reservoir enhances Jersey's IFC and contributes to economic development goals in many foreign markets through capital investments and new jobs.

The degree of overlap among the various financial sub-markets is too large to assess its individual contribution to FDI projects and flows. Therefore, this synopsis presents an integration of the net asset values for the sub-markets, resulting in the attraction, pooling and redirection of Greenfield FDI. In order to safeguard consistency, this has been executed for both source and destination region.

Comparing the source regions of Jersey's inward flows of assets and FDI, reveals that the UK acts as prime source of most sub-markets, except for banking where non-EU countries represent 58% of income sources against 24% from the UK. The EU is a minor source region compared to the UK for Jersey's private trusts and capital markets whilst it represents 23% of Jersey's inward Greenfield FDI. North America acts as a considerable source for Jersey's banking (18%), investment funds (24%), capital market (30%) and inward Greenfield FDI (57%). Switzerland acts as source for Jersey's investment funds (10%).

**Table 13 Overview of source regions of Jersey's IFC assets and FDI**

Net Value, billion, 2011	Asset £	Banking		Private Trusts		Corporate Trusts		Investment Funds		Capital Market		FDI Projects*	
		Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
Jersey		9.9	5%	8.1	2%	57.9	13%	0.2	0%	0	0%	0	0%
United Kingdom		48.2	24%	174.0	44%	149.2	33%	77.5	40%	145.7	54%	-	-
EU		27.6	14%	40.7	10%	121.1	27%	32.8	17%	1.4	1%	0.03	23%
Non-EU world		118.2	58%	168.3	43%	120.7	27%	83.0	43%	121.8	45%	0.10	77%
<i>Of which</i>													
Switzerland		14.1	7%	7.9	2%	0.0	0%	19.8	10%	0	0%	0	0%
Russia		5.9	3%	15.5	4%	6.2	1%	0	0%	0	0%	0	0%

Net Value, billion, 2011	Asset £		Banking		Private Trusts		Corporate Trusts		Investment Funds		Capital Market		FDI Projects*	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
North America	36.6	18%	8.6	2%	26.2	6%	46.8	24%	81.2	30%	0.08	57%		
South America	9.3	5%	1.7	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Middle East	10.1	5%	14.7	4%	20.8	5%	5.4	3%	0	0%	0	0%	0	0%
Africa	9.5	5%	31.0	8%	0.5	0%	2.1	1%	0	0%	0.03	20%		
China	3.6	2%	1.1	0%	0	0%	2.1	1%	0	0%	0	0%	0	0%
India	3.1	2%	6.4	2%	1.7	0%	0.1	0%	0	0%	0	0%	0	0%
Other Asia Pacific	9.0	4%	54.7	14%	17.9	4%	0	0%	40.6	15%	0	0%	0	0%
<b>Total</b>	<b>204.0</b>	<b>100%</b>	<b>391.1</b>	<b>100%</b>	<b>449.0</b>	<b>100%</b>	<b>193.6</b>	<b>100%</b>	<b>268.9</b>	<b>100%</b>	<b>0.16</b>	<b>100%</b>		

\*2003-2014

Source: Investment Consulting Associates - ICA (2014) based on Capital Economics (2013), Jersey Finance (2014) and fDiMarkets.com (2014)

In terms of the destination of Jersey's assets and Greenfield FDI, the UK again acts as one of the prime markets, particularly for banking (67%), private trusts (49%) and corporate and institutional trusts (both 49%). Notable is the EU's attractiveness for investment funds (53%) as opposed to the banking industry (3%) in which the EU plays a minor role. This can partly be contributed to the up-stream model, in which a large majority of Jersey's bank assets are up-streamed to their parents' operations usually located in the City of London. Apart from trusts, most shares of emerging economies as destination markets of banking, trusts and funds remain below a ceiling of three percent.

Table 14 Overview of destination regions of Jersey's IFC assets and FDI

Net Value, £ billion, 2011	Asset		Banking		Private Trusts		Corporate Trusts		Investment Funds		Capital Market		FDI Projects*	
	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.	Abs.	Rel.
<b>Jersey</b>	<b>27.7</b>	<b>14%</b>	<b>12.9</b>	<b>3%</b>	<b>14.8</b>	<b>3%</b>	<b>0</b>	<b>0%</b>	-	-	<b>0</b>	<b>0%</b>		
<b>United Kingdom</b>	<b>135.8</b>	<b>67%</b>	<b>192.9</b>	<b>49%</b>	<b>221.4</b>	<b>49%</b>	<b>38.7</b>	<b>20%</b>	-	-	-	-		
<b>EU</b>	<b>5.1</b>	<b>3%</b>	<b>73.7</b>	<b>19%</b>	<b>84.6</b>	<b>19%</b>	<b>102.6</b>	<b>53%</b>	-	-	<b>1.0</b>	<b>12%</b>		
<b>Non-EU world</b>	<b>35.3</b>	<b>17%</b>	<b>111.7</b>	<b>29%</b>	<b>128.2</b>	<b>29%</b>	<b>52.3</b>	<b>27%</b>	-	-	<b>7.4</b>	<b>88%</b>		
<i>Of which</i>														
Switzerland	9.3	5%	6.9	2%	7.9	2%	1.9	1%	-	-	0.0	0%		
Russia	0.0	0%	20.5	5%	23.5	5%	0	0%	-	-	0.7	8%		
North America	0.9	0%	4.0	1%	4.6	1%	13.6	7%	-	-	0.2	2%		
South America	0.1	0%	10.9	3%	12.5	3%	0	0%	-	-	0	0%		
Middle East	1.8	1%	23.1	6%	26.6	6%	0	0%	-	-	2.2	25%		
Africa	0.3	0%	20.0	5%	22.9	5%	3.9	2%	-	-	3.3	36%		
China	0.1	0%	-	0%	0	0%	0	0%	-	-	0.1	1%		
India	0.0	0%	8.7	2%	10.0	2%	0	0%	-	-	0.2	2%		
Other Asia Pacific	6.5	3%	11.5	3%	13.2	3%	0	0%	-	-	1.1	13%		
<b>Total</b>	<b>204.0</b>	<b>100%</b>	<b>391.2</b>	<b>100%</b>	<b>449.0</b>	<b>100%</b>	<b>193.6</b>	<b>100%</b>	<b>268.9</b>	<b>100%</b>	<b>8.8</b>	<b>100%</b>		

\*2003-2014

Source: Investment Consulting Associates - ICA (2014) based on Capital Economics (2013), Jersey Finance (2014) and fDiMarkets.com (2014)

Concluding, the distribution of destination markets of Jersey's outward Greenfield FDI does not reflect the distribution of the assets flowing from Jersey's IFC sub-markets: emerging markets as Africa (36%), the Middle East (25%) and Other Asia Pacific (13%) capture the majority of Jersey's outward FDI as opposed to minor shares for banking, trusts and funds. This can be attributed to the fact that investors most likely originate from more advanced economies, to which assets (e.g. through earnings and profits) flow back. This is reflected by the relatively high shares of advanced

economies as destination of assets flowing from the banking, trusts and funds sub-markets. This confirms the sub-markets, which make up Jersey's IFC, act collectively as facilitator and intermediary of FDI of which the outward Greenfield FDI flow to emerging markets is an outcome.

The direction of FDI from advanced economies to emerging economies through Jersey's IFC shows worldwide investors react on strong regulatory environments. IFCs need to continue to be innovative and show thought leadership in terms of their regulatory framework. Once the regulatory framework for a particular segment within the finance industry is in place, it enhances the ease of doing business, directly improving an IFC's competitiveness. The result is a more sustained first mover advantage. In other words, for other IFCs, it is difficult to catch up once this sustainable advantage has been created.



## Annex 1 IMF CDIS Data

Investment from:	Direct Inward Investment Position		Investment to:	Direct Outward Investment Position		Balance
	Absolute (US\$ million)	Relative (%)		Absolute (US\$ million)	Relative (%)	Absolute (US\$ million)
Albania	u	u	Albania	13	0.0%	u
Armenia	u	u	Armenia	u	u	u
Australia	c	c	Australia	c	c	c
Austria	1,196	1.8%	Austria	91	0.1%	1,105
Bahrain, Kingdom of	u	u	Bahrain, Kingdom of	u	u	u
Belarus	0	0.0%	Belarus	0	0.0%	0
Belgium	91	0.1%	Belgium	230	0.3%	-139
Benin	0	0.0%	Benin	0	0.0%	0
Bolivia	u	u	Bolivia	u	u	u
Botswana	u	u	Botswana	u	u	u
Brazil	95	0.1%	Brazil	240	0.3%	-146
Bulgaria	u	u	Bulgaria	28	0.0%	u
Burkina Faso	u	u	Burkina Faso	0	0.0%	u
Cabo Verde	u	u	Cabo Verde	0	0.0%	u
Chile	0	0.0%	Chile	0	0.0%	0
China, P.R.: Hong Kong	c	c	China, P.R.: Hong Kong	c	c	c
China, P.R.: Macao	0	0.0%	China, P.R.: Macao	0	0.0%	0
China, P.R.: Mainland	u	u	China, P.R.: Mainland	u	u	u
Costa Rica	0	0.0%	Costa Rica	0	0.0%	0
Croatia	0	0.0%	Croatia	0	0.0%	0
Cyprus	c	c	Cyprus	c	c	c
Czech Republic	620	0.9%	Czech Republic	60	0.1%	561
Denmark	71	0.1%	Denmark	442	0.6%	-371
Estonia	c	c	Estonia	0	0.0%	c
Finland	0	0.0%	Finland	313	0.4%	-313
France	2,581	3.9%	France	2,041	2.7%	540
Germany	797	1.2%	Germany	5,978	7.9%	-5,181
Ghana	u	u	Ghana	u	u	u
Greece	662	1.0%	Greece	0	0.0%	662
Guatemala	0	0.0%	Guatemala	0	0.0%	0
Guinea-Bissau	u	u	Guinea-Bissau	0	0.0%	u
Hungary	0	0.0%	Hungary	3,092	4.1%	-3,092
Iceland	u	u	Iceland	u	u	u
India	3,138	4.8%	India	42	0.1%	3,096
Indonesia	u	u	Indonesia	1,066	1.4%	u
Ireland	9,601	14.6%	Ireland	1,449	1.9%	8,153
Israel	1,034	1.6%	Israel	0	0.0%	1,034
Italy	33	0.1%	Italy	96	0.1%	-63
Japan	c	c	Japan	c	c	c
Jordan	u	u	Jordan	u	u	u



Kazakhstan	0	0.0%	Kazakhstan	28	0.0%	-28
Korea, Republic of	444	0.7%	Korea, Republic of	0	0.0%	444
Kosovo	0	0.0%	Kosovo	0	0.0%	0
Kuwait	154	0.2%	Kuwait	116	0.2%	38
Latvia	u	u	Latvia	4	0.0%	u
Lithuania	0	0.0%	Lithuania	0	0.0%	0
Luxembourg	c	c	Luxembourg	c	c	c
Malaysia	c	c	Malaysia	c	c	c
Mali	0	0.0%	Mali	0	0.0%	0
Malta	c	c	Malta	4	0.0%	c
Mauritius	477	0.7%	Mauritius	687	0.9%	-210
Mexico	u	u	Mexico	0	0.0%	u
Moldova	u	u	Moldova	0	0.0%	u
Montenegro, Republic of	u	u	Montenegro, Republic of	3	0.0%	u
Mozambique	0	0.0%	Mozambique	0	0.0%	0
Netherlands	-744	-1.1%	Netherlands	7,785	10.3%	-8,528
New Zealand	0	0.0%	New Zealand	0	0.0%	0
Nigeria	u	u	Nigeria	u	u	u
Norway	1,282	2.0%	Norway	2,022	2.7%	-741
Panama	u	u	Panama	0	0.0%	u
Paraguay	u	u	Paraguay	0	0.0%	u
Peru	u	u	Peru	u	u	u
Philippines	0	0.0%	Philippines	2	0.0%	-2
Poland	9	0.0%	Poland	4,277	5.6%	-4,268
Portugal	c	c	Portugal	c	c	c
Romania	u	u	Romania	u	u	u
Russian Federation	5,124	7.8%	Russian Federation	5,881	7.8%	-757
Senegal	0	0.0%	Senegal	0	0.0%	0
Serbia, Republic of	u	u	Serbia, Republic of	0	0.0%	u
Seychelles	u	u	Seychelles	0	0.0%	u
Singapore	u	u	Singapore	2,848	3.8%	u
Slovak Republic	0	0.0%	Slovak Republic	0	0.0%	0
South Africa	2,056	3.1%	South Africa	145	0.2%	1,911
Spain	c	c	Spain	c	c	c
Sweden	c	c	Sweden	2,377	3.1%	c
Switzerland	c	c	Switzerland	c	c	c
Tanzania	u	u	Tanzania	64	0.1%	u
Thailand	0	0.0%	Thailand	125	0.2%	-124
Togo	u	u	Togo	u	u	u
Turkey	10	0.0%	Turkey	283	0.4%	-273
Uganda	u	u	Uganda	0	0.0%	u
Ukraine	u	u	Ukraine	10	0.0%	u
United Kingdom	36,963	56.3%	United Kingdom	33,916	44.8%	3,047
United States	u	u	United States	u	u	u
Zambia	u	u	Zambia	u	u	u
<b>Total</b>	<b>65,697</b>	<b>100.0%</b>	<b>Total</b>	<b>75,760</b>	<b>100.0%</b>	<b>-10,064</b>

Source: Investment Consulting Associates – ICA (2014) based on IMF CDIS (2012)