

STATES OF JERSEY



JERSEY FINANCIAL SERVICES COMMISSION: APPOINTMENT OF CHAIRMAN

Lodged au Greffe on 19th May 2014
by the Chief Minister

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) in pursuance of Article 3(2)(a) of the Financial Services Commission (Jersey) Law 1998, to extend the appointment of Lord Eatwell as a Commissioner of the Jersey Financial Services Commission, with effect from 21st April 2015 until 21st April 2020;
- (b) in pursuance of Article 3(2)(b) of the Financial Services Commission (Jersey) Law 1998, to appoint Lord Eatwell as Chairman of the Jersey Financial Services Commission, with effect from 17th June 2014 until 21st April 2020.

CHIEF MINISTER

REPORT

The appointment of the Chairman of the Board of Commissioners of the Jersey Financial Services Commission is dealt with in Article 3 of the Financial Services Commission (Jersey) Law 1998 (“the **Law**”).

Paragraph (1) of Article 3 reads as follows –

- “(1) The Commission shall consist of –
- (a) a Chairman; and
 - (b) not less than 6 other Commissioners.”

Paragraph (2) reads as follows –

- “(2) The States shall appoint –
- (a) the Commissioners from persons nominated by the Minister; and
 - (b) a Commissioner nominated by the Minister to be Chairman of the Commission,
- and the appointments shall be debated *in camera*.”

The Chief Minister wishes to nominate the following person, who is currently serving a term as a Commissioner, for appointment by the States of Jersey to be Chairman of the Jersey Financial Services Commission.

Aged 69, Lord Eatwell is currently Professor of Financial Policy at the University of Cambridge and, for a number of years, his work has focussed on issues of financial regulation. He leads a work-stream within the Centre for Financial Analysis and Policy (CFAP, a research centre he directs) on financial regulatory issues.

In 1998, Lord Eatwell played a pivotal role in analysing the problem of systemic risk in financial markets, which led in due course to the creation of the Financial Stability Forum (now the Financial Stability Board).

In 1997 Lord Eatwell was nominated by the Board of LIFFE as a Director and Independent Member of the Board of the Securities and Futures Authority (the “SFA”), a role in which he served until 2002. Whilst a member of the Board of the SFA, he served on the Enforcement Committee and the Capital Committee (as Deputy Chairman). He was also a member of the Wind-up Committee of the SFA, dealing with a wide range of residual regulatory matters from 2001 to mid-2002.

In December 2001, Lord Eatwell joined the Regulatory Decisions Committee of the Financial Services Authority, serving until 2006.

In addition to this work as a regulator, Lord Eatwell has acted as an adviser on regulatory matters to the Bank for International Settlements, the Banking Committee of the U.S. Senate, the European Parliament and the Hong Kong Monetary Authority.

Lord Eatwell’s current term as a Commissioner expires on 21st April 2015. It is proposed that this be extended for a second 5 year term to expire on 21st April 2020. It is further proposed that the appointment of Lord Eatwell as Chairman would have

effect from 17th June 2014 until 21st April 2020 to be coterminous with the completion of his second 5 year term as a Commissioner.

The Jersey Appointments Commission has confirmed that the recruitment process for the position of Chairman has met its requirements for the openness of competition, impartiality, equality and selection based on merit.

Lord Eatwell has indicated that he views his role as Chairman as including –

- ensuring an ongoing successful and fruitful relationship between the Commission and Government;
- sending a strong message to the industry of a commitment to drive the Commission forward to meet the challenges the industry faces, and establishing relationships with key industry figures to assist in understanding issues and delivering change improvements;
- strengthening the Board of Commissioners;
- improving the strategic aspect of the Board's role in providing a positive contribution to the growth of the industry;
- being a strong off-Island advocate of Jersey's industry, particularly in the City of London;
- being generally committed to a change process in response to a dynamic developing business and regulatory environment.

Financial and manpower implications

There are no financial or manpower implications for the States expected to arise from this proposition.