

STATES OF JERSEY



Jersey

DRAFT PROCEEDS OF CRIME (FINANCIAL INTELLIGENCE – COMMENCEMENT OF AMENDMENT REGULATIONS) (JERSEY) ACT 202-

**Lodged au Greffe on 12th June 2023
by the Chief Minister
Earliest date for debate: 18th July 2023**

STATES GREFFE

Report

The States Assembly made the [Proceeds of Crime \(Financial Intelligence\) \(Amendment\) \(Jersey\) Regulations 2022](#) (the “2022 Regulations”) on 31st March 2022 ([P.32/2022](#)).

The principal purpose of the 2022 Regulations is to clearly define the status, role, and function of Jersey’s Financial Intelligence Unit (“JFIU”) in order to demonstrate clear technical compliance with the Financial Action Task Force (“FATF”) Recommendation 29.

The FATF sets the international anti-money laundering and combatting the financing of terrorism and proliferation (“AML/CFT”) standards. Jersey has consistently committed, along with countries around the world to fully implement the FATF standards. Jersey is being evaluated against the FATF Standards by MONEYVAL in 2023/24.

The 2022 Regulations legislate, *inter alia*, for a Governance Board (the Board) to be formed to provide strategic direction for the JFIU with a dotted reporting line to the Minister with responsibility for financial services. The JFIU retains complete autonomy in terms of its operational independence but is accountable to the Governance Board whose membership and purpose would be clearly defined through an agreed Memorandum of Understanding.

Since the making of the 2022 Regulations, the Board has been established and is meeting on a quarterly basis whilst a Memorandum of Understanding is being developed. Therefore, I recommend to the States Assembly to make this Act in order to bring the 2022 Regulations into force in time for the MONEYVAL assessment.

Financial and resourcing implications

There are no immediate financial or manpower implications as a direct result of the making this Act. Increased funding for resources in the FIU as a result of the 2022 Regulations has already been agreed by the States Assembly in the Government Plan 2022-2025. However, further funding will be needed in the longer term to complete the transition of the FIU from a police sub-unit to a fully independent agency and a request for additional future funding is currently being drafted.

EXPLANATORY NOTE

This Act, if passed, will bring the Proceeds of Crime (Financial Intelligence) (Amendment) (Jersey) Regulations 2022 into force 7 days after the Act is made. The Regulations were adopted by the States on 31st March 2022 (P.32/2022).



Jersey

DRAFT PROCEEDS OF CRIME (FINANCIAL INTELLIGENCE – COMMENCEMENT OF AMENDMENT REGULATIONS) (JERSEY) ACT 202-

Made

[date to be inserted]

Coming into force

[date to be inserted]

THE STATES make this Act under Regulation 12 of the [Proceeds of Crime \(Financial Intelligence\) \(Amendment\) \(Jersey\) Regulations 2022](#) –

1 Commencement of the Proceeds of Crime (Financial Intelligence) (Amendment) (Jersey) Regulations 2022

The [Proceeds of Crime \(Financial Intelligence\) \(Amendment\) \(Jersey\) Regulations 2022](#) come into force 7 days after this Act is made.

2 Citation

This Act may be cited as the Proceeds of Crime (Financial Intelligence – Commencement of Amendment Regulations) (Jersey) Act 202-.