

# STATES OF JERSEY



## **DRAFT PUBLIC FINANCES (APPOINTMENT OF INVESTMENT MANAGERS) (JERSEY) REGULATIONS 200**

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Lodged au Greffe on 18th March 2003  
by the Finance and Economics Committee

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STATES GREFFE





Jersey

## **DRAFT PUBLIC FINANCES (APPOINTMENT OF INVESTMENT MANAGERS) (JERSEY) REGULATIONS 200**

### **REPORT**

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In March 2002, the States approved the Public Finances (Administration) (Amendment No. 10) (Jersey) Law 2002, which came into force in August that year. The effect of the Amendment was to enable the Finance and Economics Committee to appoint investment managers for funds other than the Strategic Reserve.

To allow the Finance and Economics Committee to exercise these powers, it is necessary to repeal the Public Finance (Appointment of Investment Managers) (Jersey) Regulations 1994.

The new Regulations reflect substantially the provisions of the 1994 Regulations except, in relation to the appointment of investment managers, where the Finance and Economics Committee's powers are extended to allow the appointment of investment managers for the investment of any public monies.

#### **Financial/manpower statement**

There are no financial or manpower implications for the States arising from the adoption of these draft Regulations.

## **Explanatory Note**

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These Regulations repeal the Public Finance (Appointment of Investment Managers) (Jersey) Regulations 1994, which provided for the appointment of investment managers in respect of money in the strategic reserve, and replace them with provisions that relate to the appointment of investment managers to invest any public monies as determined by the Finance and Economics Committee.





Jersey

# DRAFT PUBLIC FINANCES (APPOINTMENT OF INVESTMENT MANAGERS) (JERSEY) REGULATIONS 200

## Arrangement

### Regulation

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Jersey

# DRAFT PUBLIC FINANCES (APPOINTMENT OF INVESTMENT MANAGERS) (JERSEY) REGULATIONS 200

*Made*

*[date to be inserted]*

*Coming into force*

*7th April 2003*

THE STATES, in pursuance of Article 26A of the Public Finances (Administration) (Jersey) Law 1967, <sup>[1]</sup> as amended, <sup>[2]</sup> have made the following Regulations –

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## 1 Interpretation

In these Regulations “the Committee” means the Finance and Economics Committee.

## 2 Proposal to appoint investment managers

- (1) The Committee must not appoint a person to be an investment manager unless it has first satisfied itself that the person is suitably qualified in financial matters to make investment decisions on its behalf.
- (2) For that purpose the Committee must, in respect of a proposed appointment, seek and consider the advice of a person or persons reasonably believed by the Committee to be qualified by ability in and practical experience of financial matters to give the advice.
- (3) The Committee when seeking that advice must advise the person or persons whose advice is being sought of the amount of public monies or the investments made from public monies the proposed investment manager would manage.
- (4) In determining that amount the Committee must have regard to the desirability of diversification in the management of public monies.

## 3 Conditions of appointment of investment managers

The Committee must not appoint a person to be an investment manager except on terms of appointment that –

- (a) provide for the appointment to be terminable by the Committee without notice;
- (b) require the investment manager to provide the Committee at least once every three months with a report setting out the action the manager has taken under the appointment;
- (c) require the investment manager to comply with any instructions given by the Committee; and
- (d) require the investment manager to have regard to the need for diversification in the investments of public monies and to the suitability of investments the manager is permitted to make.

## 4 Review of investments and appointment



The Committee must –

- (a) review the investments made by an investment manager at least once in any period of three months; and
- (b) from time to time consider whether to continue or to terminate the appointment of an investment manager.

## **5 Repeal**

The Public Finance (Appointment of Investment Managers) (Jersey) Regulations 1994<sup>[3]</sup> are repealed.

## **6 Citation and commencement**

These Regulations may be cited as the Public Finances (Appointment of Investment Managers) (Jersey) Regulations 200- and shall come into force on 7th April 2003.

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[1] *Recueil des Lois, Volume 1966-1967, page 609.*

[2] *Recueil des Lois, Volume 1992-1993, page 449 and Volume 2002, page 452.*

[3] *No. 8642.*