

22.03.29

12 Senator S.Y. Mézec of the Minister for External Relations and Financial Services regarding assets of Russian nationals in Jersey (OQ.59/2022)

Following Jersey's adoption of sanctions against Russian nationals associated with the Putin regime, will the Minister state the total value of assets held in Jersey which he has been notified have been frozen?

Senator I.J. Gorst (The Minister for External Relations and Financial Services):

Since Russia's illegal and unjustified invasion of Ukraine we have aligned with international partners in implementing a severe and wide-ranging package of sanctions measures. This has included more than 800 asset-freeze designations of individuals and entities that were automatically and immediately enforced in Jersey as soon as they were made requiring any assets owned, held or controlled directly or indirectly to be frozen. Since the new sanctions package against Russia was introduced, assets with a value of £259,300,000 have been reported to me as having been frozen by firms in compliance with their obligations under the Sanctions and Asset-Freezing (Jersey) Law 2019. This figure is correct as of yesterday and is rounded up to the nearest £100,000; that is sterling.

3.12.1 Senator S.Y. Mézec:

I thank the Minister for his answer. He indicated in an answer to a previous question on a similar subject that he would be looking to update the public on this information as we go along. Could he inform the Assembly what his plans are to be transparent about this?

Senator I.J. Gorst:

Yes, if I could also just clarify that number. We have converted holdings which were in dollars and euros, et cetera, into sterling for ease of information. I will be making a public update by way of a report to the Assembly, including the number of the frozen-asset amount at the end of each month. I will therefore be publishing a report for the end of March next week.

3.12.2 Deputy M.R. Higgins:

I would like the Minister to repeat the figure as well because I misheard it but what my question is, could he tell me what proportion of those assets are based in Jersey property, meaning buildings and land, et cetera?

Senator I.J. Gorst:

The figure was £259,300,000 and, no, I will not be giving a breakdown further than the overall amount of assets frozen or the value.

3.12.3 Deputy M.R. Higgins:

Why not, as it is of direct relevance to Islanders?

Senator I.J. Gorst:

I am already going out of previous policy in what I think is important public information but I think what is important is the overall number rather than individual breakdowns.

3.12.4 Senator S.Y. Mézec:

The value of the assets which have been frozen that the Minister has informed us is quite a large sum and even though this has been provoked by Russia's illegal action in Ukraine recently, it could have been said before then that this was business from the kinds of people Jersey would not want to have been associated with anyway. Does the Minister think there needs to be some sort of think in future about not encouraging people from disreputable regimes with connections to disreputable authoritarian leaders to use Jersey for conducting their business?

Senator I.J. Gorst:

I think that is a question that the whole of western Europe is now wrestling with the sense of hindsight but we must remind ourselves that sanctions are a political tool, in effect an economic war against the Putin regime. There is no indication as I stand here, and it would not be appropriate for me to say so, that the money that is managed currently by Jersey firms and is the subject of sanctions has done anything inappropriate. That is the work that the taskforce will be seeking to ascertain so we should not prejudge that. Prior to this economic war which the sanctions have triggered, there is no indication of a breach of Jersey regulation with regard to A.M.L. (anti-money laundering) or C.F.T. (combating the financing of terrorism) nor elsewhere across Europe.