

# STATES OF JERSEY



Jersey

## **DRAFT SANCTIONS AND ASSET-FREEZING (AMENDMENT OF LAW – REPORTING OBLIGATIONS) (JERSEY) REGULATIONS 201-**

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**Lodged au Greffe on 30th July 2019  
by the Minister for External Relations**

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**STATES GREFFE**



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## REPORT

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Under Jersey’s existing sanctions legislation, the reporting obligations in respect of Jersey sanctions Orders flow directly from the EU sanctions regulations that the Orders are giving effect to and implementing. EU sanctions regulations contain a general reporting obligation to share with the sanctions Competent Authority (in Jersey this is the Minister for External Relations (“MER”)) any information that may facilitate compliance with a regulation. This obligation is not limited to relevant financial institutions and applies to natural and legal persons, entities and bodies in Jersey or under Jersey jurisdiction. This includes the Jersey Financial Services Commission (“JFSC”) and is one of the legal gateways on which the JFSC rely in order to share certain information relevant to the enforcement of financial sanctions with the MER.

The [Sanctions and Asset-Freezing \(Jersey\) Law 2019](#) (“SAFL”) provides for a number of improvements to Jersey’s sanctions legislation, which include the introduction of specific and detailed reporting obligations for relevant financial institutions in respect of Jersey sanctions Orders. This will enable MER to bring reporting obligations for asset-freeze designations effective under Jersey sanctions Orders into line with those currently applicable for terrorist asset-freeze designations and interim UN non-terrorist asset-freeze designations. These changes will be brought into effect following the coming into force of the [Sanctions and Asset-Freezing \(Amendment\) \(Jersey\) Law 201-](#) later in the year.

As the changes would limit reporting obligations to relevant financial institutions, it is necessary to make an amendment to Part 6 (Information) of SAFL to ensure that the above mentioned legal gateway for the JFSC to share relevant sanctions information with the MER is retained. The new Sanctions and Asset-Freezing (Amendment of Law – Reporting Obligations) (Jersey) Regulations 201- (“the draft Regulations”) will make these amendments. The draft Regulations also introduce an Order-making power for the Minister to extend the reporting obligations to other relevant statutory bodies, following consultation with those bodies.

### **Financial and manpower implications**

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



## **EXPLANATORY NOTE**

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The Draft Sanctions and Asset-Freezing (Amendment of Law – Reporting Obligations) (Jersey) Regulations 201-, if passed, will amend Article 32 of the Sanctions and Asset-Freezing (Jersey) Law 2019 (the “Law”) to require the Jersey Financial Services Commission (“JFSC”) to provide information to the Minister if that information came to JFSC in the course of carrying out its functions and JFSC believes the information would facilitate the Minister’s functions or the investigation (and prosecution) of offences under the Law.

The Minister is also empowered to specify, by Order, other statutory bodies that are then subject to the same duty to provide information. The Minister must consult the body first, and must be satisfied that the body has functions that are likely to result in it holding information that could facilitate the Minister’s functions or the investigation (and prosecution) of offences under the Law.

The amendment does not provide for a breach of the duty imposed to constitute a criminal offence in itself, so the duty will be enforced in the same way as other statutory duties of the statutory bodies concerned. Under Article 38 of the Law, nothing done in accordance with this duty is to be treated as a breach of any statutory, contractual or other restriction.





Jersey

## **DRAFT SANCTIONS AND ASSET-FREEZING (AMENDMENT OF LAW – REPORTING OBLIGATIONS) (JERSEY) REGULATIONS 201-**

*Made* [date to be inserted]  
*Coming into force* [date to be inserted]

**THE STATES** make these Regulations under Article 39 of the Sanctions and Asset-Freezing (Jersey) Law 2019<sup>1</sup> –

### **1 Article 32 (reporting obligations of relevant financial institutions) of Sanctions and Asset-Freezing (Jersey) Law 2019 amended**

- (1) In the heading to Article 32 of the Sanctions and Asset-Freezing (Jersey) Law 2019<sup>2</sup>, after “institutions” there is inserted “and statutory authorities”.
- (2) After Article 32(3) of the Sanctions and Asset-Freezing (Jersey) Law 2019, there is inserted –
  - “(4) A relevant statutory authority must give information, held by that authority, to the Minister as soon as practicable if –
    - (a) the information came to the relevant statutory authority in the course of carrying out a function conferred on it under an enactment; and
    - (b) the relevant statutory authority believes that giving the information would facilitate –
      - (i) the performance of a function of the Minister under this Law, or
      - (ii) the investigation or prosecution of an offence under this Law.
- (5) For the purpose of paragraph (4) a relevant statutory authority is –
  - (a) the Jersey Financial Services Commission, established by the Financial Services Commission (Jersey) Law 1998<sup>3</sup>; and
  - (b) any other person specified in an Order under paragraph (6).
- (6) The Minister may by Order specify a person if –
  - (a) the person is established by an enactment; and

- (b) the Minister is satisfied, after consulting that person, that the person has a function that is likely to result in the person holding information that could facilitate –
  - (i) the performance of a function of the Minister under this Law, or
  - (ii) the investigation or prosecution of an offence under this Law.”.

## 2 Citation and commencement

These Regulations may be cited as the Sanctions and Asset-Freezing (Amendment of Law – Reporting Obligations) (Jersey) Regulations 201- and come into force 14 days after they are made.



## ENDNOTES

### Table of Endnote References

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<i>1</i>	<i>L.2/2019</i>
<i>2</i>	<i>L.2/2019</i>
<i>3</i>	<i>chapter 13.250</i>