

**DRAFT PROCEEDS OF CRIME (JERSEY) LAW 1999  
(APPOINTED DAY) ACT 199**

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**Lodged au Greffe on 25th May 1999  
by the Finance and Economics Committee**

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**STATES OF JERSEY**

**STATES GREFFE**

## Report

The purpose of this Appointed Day Act is to appoint 1st July 1999 as the day for bringing into force all the provisions of the Proceeds of Crime (Jersey) Law 1999. This Law was considered and approved by the States at its meeting on 15th December 1998. It was then approved by Privy Council on 10th March 1999 and has now been registered in the Royal Court. It remains only to bring it into force. For this purpose the attached Appointed Day Act has been drafted.

By way of background, the Proceeds of Crime (Jersey) Law 1999 is the last of the three Money Laundering Laws necessary for Jersey to put into place in order to be compliant with international requirements in the fight against money laundering.

The first Money Laundering Law was the Drug Trafficking Offences (Jersey) Law 1988, which was adopted by the States on 23rd August in that year and provided for the confiscation from offenders of the proceeds of drug trafficking, as well as creating new offences relating to the laundering of drug profits. In 1996, that Law was amended to introduce more effective remedies. Also in 1996, the States adopted the second Money Laundering Law, which was the Prevention of Terrorism (Jersey) Law 1996. It made similar provision for terrorist funds. These two Laws followed steps that had already been taken in the United Kingdom and elsewhere. It was widely recognised, however, that there was a need to extend anti-money laundering legislation to the proceeds of all other serious crimes. In 1990, the Financial Action Task Force on Money Laundering - FATF, the leading world agency in this field, drew up forty recommendations. These were revised in 1996, to include the laundering of the proceeds of serious crime generally, and not just of drug trafficking. The introduction of the Proceeds of Crime (Jersey) Law 1999 will do exactly this.

In summary the Proceeds of Crime (Jersey) Law 1999 will have four main effects. Namely -

- (a) It enables the Royal Court to confiscate the proceeds of any criminal offence committed in the Island for which a person is liable to imprisonment for one year or more.

- (b) It allows for the enforcement in the Island, by the Royal Court, of confiscation orders made abroad in respect of corresponding conduct overseas.
- (c) It creates new offences of “money laundering”, in the Island, in respect of the proceeds of crime.
- (d) It provides for the making of Orders by the Finance and Economics Committee, after consultation with the Jersey Financial Services Commission, to require persons who provide financial services in the Island to maintain procedures to forestall and prevent money laundering. These relate to the identification of customers, the keeping of records, internal reporting and the training of staff.

The measures in (a), (b) and (c) follow closely those that have already been enacted in respect of drug trafficking and terrorism offences. Accordingly, they do not extend to those offences.

However the measures in (d) are new, and apply to all money laundering offences.

**Explanatory Note**

The purpose of this Act is to appoint 1st July 1999 as the day for the commencement of the Proceeds of Crime (Jersey) Law 1999, which was adopted by the States on 15th December 1998 (P.218 of 1998).

**Proceeds of Crime (Jersey) Law 1999**

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PROCEEDS OF CRIME (JERSEY) LAW 1999  
(APPOINTED DAY) ACT 1999

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*(Promulgated on the      day of      1999)*

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**STATES OF JERSEY**

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The      day of      1999

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**THE STATES**, in pursuance of Article 45 of the Proceeds of Crime (Jersey) Law 1999,<sup>1</sup> have made the following Act -

1. The Proceeds of Crime (Jersey) Law 1999 shall come into force on the first day of July 1999.
2. This Act may be cited as the Proceeds of Crime (Jersey) Law 1999 (Appointed Day) Act 1999.

<sup>1</sup> Recueil des Lois, Volume 1999, page 192.