

**DRAFT DRUG TRAFFICKING OFFENCES (EXEMPTION FOR  
REGULATORS) (JERSEY) REGULATIONS 199**

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**Lodged au Greffe on 19th May 1998  
by the Finance and Economics Committee**

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## **Report**

Under Article 18A of the Drug Trafficking Offences (Jersey) Law 1988, as amended, it is an offence for any person to fail to disclose knowledge or suspicion of drug money laundering.

Exceptions are made for information coming to a professional legal adviser in privileged circumstances, and for such persons performing regulatory, supervisory, investigative or registration functions as may be designated in Regulations made by the States. The Finance and Economics Committee is so designated at present.

The financial regulatory functions of the Finance and Economics Committee will be transferred to the Jersey Financial Services Commission under the Financial Services Commission (Jersey) Law 199 to be brought into force by the States on 1st July 1998.

As a result of this, the current exemption in place for the Committee will become irrelevant as the Commission will be a separate body and not covered by the exemption. This has brought about the need for the new Regulations.

The Commission and persons employed by it in relation to the functions mentioned above would be exempt under the proposed regulations from criminal liability resulting from a failure to report information on suspected drug money laundering. The Commission will however be able, (as is the Committee at present) to make such reports to the Police as it may decide and, more particularly, to require the businesses which it supervises and regulates themselves to make such disclosures if this has for any reason not occurred.

The purpose of the attached Regulations is therefore to replace the exemption for the Finance and Economics Committee by a new exemption for the Jersey Financial Services Commission with effect from 1st July.

Similar exemptions are given under equivalent legislation in the United Kingdom.

### **Explanatory Note**

The purpose of these Regulations is to replace the Drug Trafficking Offences (Exemption for Regulators) (Jersey) Regulations 1997 as a result of the transfer of certain functions of the Finance and Economics Committee to the Jersey Financial Services Commission under the Financial Services Commission (Jersey) Law 1998.

The new Regulations ensure that the Commission (as was the case with the Committee) is not required to disclose knowledge or suspicion of drug money laundering in circumstances relating to, for example, the performance of its regulatory, supervisory, investigative and registration functions.

This instrument is one of a number that amend or replace subordinate legislation that contains references to the Committee.

**Drug Trafficking Offences (Jersey) Law 1988**

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DRUG TRAFFICKING OFFENCES (EXEMPTION FOR  
REGULATORS) (JERSEY) REGULATIONS 1998

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*(Promulgated on the      day of      1998)*

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**STATES OF JERSEY**

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The      day of      1998

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**THE STATES**, in pursuance of paragraphs (11), (12) and (13) of Article 18A of the Drug Trafficking Offences (Jersey) Law 1988,<sup>1</sup> as amended (hereinafter referred to as “the Law”), have made the following Regulations -

**Designation of Jersey Financial Services Commission**

**1.** The Jersey Financial Services Commission established by the Financial Services Commission (Jersey) Law 1998 is hereby designated for the purposes of sub-paragraph (a) of paragraph (11) of Article 18A of the Law and accordingly paragraphs (1) to (10) and (14) of that Article do not apply to that Commission.

**Persons performing regulatory etc. functions**

**2.** Persons employed by or engaged in the service of the Jersey Financial Services Commission for the purpose of performing regulatory, supervisory, investigative or registration functions are hereby specified as a category of persons for the purposes of sub-paragraph (b) of paragraph (11) of Article 18A of the Law and accordingly paragraphs (1) to (10) and (14) of that Article do not apply to such persons.

<sup>1</sup> Recueil des Lois, Volume 1988-1989, page 287, and Volume 1996-1997, page 469.

### **Repeal**

3. The Drug Trafficking Offences (Exemption for Regulators) (Jersey) Regulations 1997<sup>2</sup> are repealed.

### **Citation and commencement**

4. These Regulations may be cited as the Drug Trafficking Offences (Exemption for Regulators) (Jersey) Regulations 1998 and shall come into force on the first day of July 1998.

<sup>2</sup> No. 9149.