
STATES OF JERSEY



JERSEY FINANCIAL SERVICES COMMISSION: RE-APPOINTMENT OF COMMISSIONERS

**Presented to the States on 9th August 2019
by the Minister for External Relations**

STATES GREFFE

REPORT

Summary

Mr. Simon Morris and Mr. Peter Pichler will be completing the end of their 5 year terms as Commissioners of the Jersey Financial Services Commission (“**Commission**”) on 20th January 2020. The Board of Commissioners (“**Board**”) has recommended that appointments for both be extended for the maximum 4 years. The Minister for External Relations has accepted this recommendation and proposes that the appointments of Mr. Simon Morris and Mr. Peter Pichler be extended for 4 years from 21st January 2020.

Background

The Commission was established under the [Financial Services Commission \(Jersey\) Law 1998](#) (“**Commission Law**”) to supervise and develop financial services in Jersey, provide advice and assistance to States Members in relation to financial services, and uphold regulatory standards which –

- reduce risk to the Public of financial loss due to dishonesty, incompetence, malpractice or the financial unsoundness of financial service providers;
- protect and enhance the reputation and integrity of Jersey in commercial and financial matters;
- safeguard the best economic interests of Jersey; and
- counter financial crime in both Jersey and elsewhere.

The Commission’s Board of Commissioners considered Commissioner Morris’s performance as a Commissioner during his first term of office. It was noted that the Board benefits hugely from the presence of a UK solicitor with financial services and regulatory expertise.

Legal framework

Article 3 of the Commission Law deals with the appointment of Commissioners. It provides that the Minister for External Relations shall make the appointment. Article 3 provides in full as follows –

“3 Appointment of Commissioners

- (1) The Commission shall consist of –
 - (a) a Chairman;
 - (b) not less than 5 other Commissioners; and
 - (c) the Director General appointed under Article 10 as an *ex-officio* Commissioner.
- (2) The Minister shall appoint –
 - (a) the Commissioners referred to in paragraph (1)(a) and (b); and

- (b) a Commissioner (other than the Director General) to be Chairman of the Commission.
- (2A) Article 2 of the States of Jersey (Appointment Procedures) (Jersey) Law 2018 shall apply to the appointment of the Chairman and other Commissioners.
- (3) The Commissioners shall include –
 - (a) persons with experience of the type of financial services supervised by the Commission;
 - (b) regular users on their own account or on behalf of others, or representatives of those users, of financial services of any kind supervised by the Commission; and
 - (c) individuals representing the public interest,
 and the composition of the Commission shall be such as to secure a proper balance between the interests of persons carrying on the business of financial services, the users of such services and the interests of the public at large.
- (4) The Minister shall appoint one Commissioner referred to in paragraph (1)(b) to be Deputy Chairman.
- (5) The functions, powers, rights and obligations of the Commission shall not be affected by any vacancy in its membership.”.

The term of appointment of a Commissioner is prescribed by Part 2 of Schedule 1 to the Commission Law, which reads as follows –

- “(2) A Commissioner shall be appointed by instrument in writing for a period not exceeding 5 years and upon expiry of such period shall be eligible for reappointment.
- (2A) Despite paragraph (2), the total period for which a person may hold office as a Commissioner shall not exceed 9 years.
- (2B) Article 2 of the States of Jersey (Appointment Procedures) (Jersey) Law 2018 shall apply to an extension of the appointment of a Commissioner.”.

Appointment

As set out above, the Commission Law provides that the Minister, being the Minister for External Relations currently, shall appoint Commissioners. The Board has recommended that the appointments of Mr. Simon Morris and Mr. Peter Pichler be extended for a maximum 4 year term from 21st January 2020.