

**WRITTEN QUESTION TO THE MINISTER FOR EXTERNAL RELATIONS
BY DEPUTY M.R. HIGGINS OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 20th OCTOBER 2020**

Question

Will the Minister explain what controls and monitoring of estate agents and lawyers, if any, are currently in place to minimise or eradicate money-laundering through the purchase of property in the Island, and is it the Minister's assessment that any such controls are adequate, giving his reasons for saying so if this is the case?

Answer

The purchase and sale of all land in Jersey must involve a lawyer to confirm title. Estate agents in Jersey do not handle any cash when involved in the purchase or sale of a property, this is done by the lawyers, who will receive the funds from the purchaser into their client account before it is transferred to the vendor.

	Estate Agents	Lawyers
Controls in place to minimise or eradicate money-laundering through the purchase of property in the Island	Persons who wish to provide estate agency services in or from within Jersey, must register with the JFSC as required by the provisions of the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008.	The Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008 captures lawyers who are providing legal or notarial services to third parties when participating in immovable property, transactions concerning any of the following: <ul style="list-style-type: none"> (i) the buying and selling of immovable property or business entities; (ii) the buying and selling of shares the ownership of which entitles the owner to occupy immovable property
Monitoring in place to minimise or eradicate money-laundering through the purchase of property in the Island	The JFSC supervises estate agents for money laundering and the financing of terrorism.	The JFSC supervises lawyers for money laundering and the financing of terrorism.

Section 17 of the Bailiwick of Jersey's National Risk Assessment of Money Laundering Report 2020¹ (the "NRA") provides an overview of the Immoveable Property sector in terms of Money Laundering risk

¹<https://www.gov.je/SiteCollectionDocuments/Industry%20and%20finance/ID%20Bailiwick%20of%20Jersey%20National%20Risk%20Assessment%20of%20Money%20Laundering%20September%202020.pdf>

and Section 13 covers the Legal sector. This work did not identify any significant risks in respect of the purchase of property² in the Island. It is notable that the overall assessment of the ML vulnerability for this sector is low.

Whilst this is a good indication that the controls which are currently in place are adequate, money laundering is always evolving and becoming more sophisticated and complex so there will always be more to be done if we are counter potential risks satisfactorily. All actions identified in the NRA process are being formulated into a detailed action plan which is being worked on alongside a detailed new structure for assessing ongoing risk of financial crime. This will include actions across all sectors covered for money laundering and countering the financing of terrorism.