Government of JERSEY

Economic and International Affairs Scrutiny Panel
By email
28th February 2025

Dear chair,

Legislative Programme

Thank you for your letter of 17th February, in which you ask for an update on the legislative programme for 2025. I have set out updates to each of these below, and I look forward to discussing this further during our quarterly hearing scheduled for 6th March.

Draft Sanctions and Asset-Freezing (Amendment of Law – Reporting Obligations) (Jersey) Regulations 202-
Under Article 32 (1) of the Sanctions and Asset-Freezing (Jersey) Law 2019, Relevant Financial Institutions are currently obliged to report information in respect of Designated Persons to the Minister in certain limited circumstances, including where the financial institution holds an account of the person, has entered into dealings or an agreement with the person, or has been approached by or on behalf of the person. These Regulations expands the scope of the requirement by removing these criteria, bringing this obligation into line with those of UK Relevant Firms. This legislation has been drafted and is ready to be lodged. It is in the pipeline to be taken forward during this political term.

Trusts (Jersey) Law 1984
Amendments to the Trusts (Jersey) Law 1984 follow a consultation in 2024. The amendments address four areas:

1. Confirmation of the priority of claims between a former and current trustee and a secured lender, following the Re Z case.
2. The ability of beneficiaries to call for the termination or variation of a trust, pursuant to the Law and/or the rule in Saunders v Vautier.
3. Clarifying the position where a sole trustee purports to resign.
4. Minor amendments to correct certain provisions within the Law.

As noted in the 2024 Ministerial Plans, it was hoped that this legislation would be lodged in 2024. However, due to the detailed nature of the responses to the consultation and the drafting, lodging has been slightly delayed. The legislation is currently under final consideration with industry experts, and I expect to be in a position to lodge the amendments in Q1 of 2025.

Consumer credit primary legislation
Changes to primary legislation to bring in a consumer credit regime are well-progressed and anticipated to be lodged in Q1 of 2025. The proposed draft Law

covers the regulation of consumer credit agreements (personal finance), consumer hire agreements and secured lending arrangements (i.e. mortgages). It seeks to create a regulatory framework for a wide range of credit-related activities and business, ensuring consumer protection and market transparency. Due to the nature of stakeholders impacted by this legislation, there has been extensive engagement to ensure that consumers and lenders alike understand the obligations introduced by the changes.

Transfer of the Jersey Depositors Compensation Scheme (DCS) to the Jersey Resolution Authority (JRA)

The draft legislation seeks to transfer the functions from the DCS Board to the JRA, in particular the administration of the scheme, and consolidate the legislation establishing the scheme into the Resolution Law, such that there is one statutory provision relating to banking failure. There has been some managed delay to this process due to the intricacies of the legislation together with the need to operationalise the transfer of the functions. I expect that this will now be delivered by July 2025.

Economic Crime and Confiscation (Investigatory Powers) (Jersey) Law

Drafting instructions were provided by the Department to the legislative drafting office in December 2024 and good progress is expected. The changes will provide the Economic Crime and Confiscation Unit (ECCU) in the Law Officers' Department with the statutory remit and powers to investigate:

1. Serious criminal offences
2. Confiscation of property following conviction
3. Civil forfeiture of tainted property.

Additionally, amendments are also expected to the Forfeiture of Assets (Civil Proceedings) (Jersey) Law 2018 to address the Court of Appeal decision in Imperium Trustees (Jersey) Limited v Jersey Competent Authority [2024]. I anticipate that these changes will be lodged in Q3 of 2025.

Financial Intelligence Unit (FIU)

To comply with international standards, it is necessary to separate the FIU from the States of Jersey Police. In addition to the legislative separation, a physical and operational separation is required. Drafting instructions will be provided to the legislative drafting office by the end of February 2025, with an intention to lodge in the second half of 2025.

Companies (Jersey) Law 1994

Jersey's Companies Law has not been updated for some ten years. The proposals were consulted on in principle in 2024 and extend to some 93 proposals, in addition to consideration of the introduction of an administration procedure for insolvency. The proposals seek to respond to case law and legal developments (domestic and international), enhance the legislation to reflect provisions or practices

adopted in other jurisdictions, address inconsistencies within the Law and with other legislation and to streamline processes. In tandem with the consultation process, legislative drafting instructions were prepared. The legislative drafting office continues to work on the draft amendments, and I anticipate that the legislation would be ready for lodging in the second half of 2025.

Security Interests (Jersey) Law 2012
Drafting instructions are currently with the legislative drafting office for numerous amendments to the Law to respond to case law developments (domestic and international), to improve and clarify provisions within the Law, to streamline processes and to ensure that the Law is user-friendly and flexible, enabling Jersey to maintain its competitive position. These amendments are currently delayed while we await the allocation of legislative drafting resource. I anticipate that this will become available in the second half of 2025, once amendments to the Companies Law are finalised. While I was hopeful that these amendments would be concluded in 2025, I would expect these to be a matter for the relevant Minister to consider post-election.

Draft Trade Marks (Jersey) Law 202-
A consultation on the policy principles to move to a system of primary registration for trade marks concluded in early 2024, with proposals positively supported. The Assistant Minister, Deputy Scott, signed a Ministerial Decision (MD-ER-2024-479) to begin drafting on 1st July 2024. Good progress has been made in drafting this extensive piece of new legislation, with a view to a further consultation on the draft law to take place in the first half of 2025. The ambition is to lodge the draft legislation later this year. The purpose of the legislative change is to replace the Trade Marks (Jersey) Law 2000, primarily to introduce a system of primary trade mark registration, allowing Jersey to then seek extension of the Madrid Protocol. The Madrid Protocol is an international agreement which makes it possible to seek trade-mark protection in a large number of countries by filing a single “international” application. Subject to States Assembly approval of the legislation, on extension of the UK’s ratification of the Madrid Protocol, Jersey residents and businesses will be able to save time and money by filing a single application through the Madrid System directly via the Jersey Intellectual Property Office.

Draft Registrar of Intellectual Property (Jersey) Law 202-
Following the consultation outlined above, the Assistant Minister, Deputy Scott, signed a Ministerial Decision (MD-ER-2024-776) to begin drafting on the 10th October 2024. Good progress has been made and following consultation with key stakeholders on the draft law, our ambition is to align the lodging with that of the draft Trade Mark (Jersey) Law 202- later this year. The purpose of the legislative changes is to modernise Jersey’s IP framework by putting in place the relevant powers to maintain an Intellectual Property Register, particularly with regard to moving to a system of primary registration for trade marks. The modern IP Registry will include

the need to facilitate the filing and examination of international trade marks under the Madrid Protocol, along with ensuring the powers are maintained to continue with a system of re-registration for both patents and designs.

Crypto-Asset Reporting Framework Regulations
Amendments to the Common Reporting Standard Regulations
This will introduce regulations to implement the OECD's new Crypto-Asset Reporting Framework (CARF) and amendments to the existing Common Reporting Standard (CRS) on automatic exchange of financial account information, in line with international commitments. Both of these are considered global minimum standards in tax transparency. A public consultation exercise on implementation of the two regimes ran from November 2024 to 13 February 2025. Officers are reviewing the feedback received before issuing law drafting instructions. It is intended that the draft legislation will be subject to public consultation in Q2, before the legislation is lodged au Greffe for debate by the States Assembly in the autumn. If approved, both sets of changes should come into effect from 1 January 2026.

Amendments to the Common Reporting Standard Regulation and FATCA Regulations
This will improve the efficiency and effectiveness of the regulations, giving effect to Jersey's automatic exchange of tax information regulations. This is being worked on alongside the CARF and CRS changes, and proposals were included in the CARF and CRS consultation paper issued in November, including changes intended to clarify the operation of the penalty regime and to introduce a mandatory registration and nil return obligation. Consultation responses are currently being reviewed before law drafting instructions are issued. It is intended that the draft legislation will be opened for consultation in Q2, before being lodged for States Assembly debate in the autumn.

Historical tax agreements
This is an administrative exercise to ensure that Jersey's legislative framework for cross-border tax agreements is up to date. In particular, this involves:

- Repealing the Double Taxation Relief (Arrangement with the United Kingdom) (Jersey) Act 1952 and the Taxation (Implementation) (International Tax Compliance) (United Kingdom) (Jersey) Regulations 2014, as the tax agreements which this legislation gave effect to are no longer in force.
- Orders ensuring that the schedules to the Taxation (Exchange of Information with Third Countries) (Jersey) Regulations 2008 (the TIEA Regulations) and Taxation (Double Taxation) (Jersey) Regulations 2010 (the DTA Regulations) are complete and up to date.

The order updating the schedule to the TIEA Regulations is close to completion, and I hope to sign it by the end of Q1 2025. It is expected that the legislation terminating the Double Taxation Relief (Arrangement with the United Kingdom) (Jersey) Act and the Taxation (Implementation) (International Tax Compliance) (United Kingdom)

(Jersey) Regulations will be laid before the States Assembly for approval in Q2 of 2025, and that the order updating the schedules to the DTA Regulations will also be signed that quarter.

Amendments to the Exchange of Information on Request Regulations
These amendments will ensure that Jersey's legislation giving effect to our commitment to exchange tax information on request remains in line with global expectations. This will include measures to clarify the rights of third parties whose information may be requested to appeal to the Jersey courts, and measures to clarify the obligations of the directors of a company to which an information production notice is issued. It is expected that draft legislation will be issued for consultation in the second half of 2025.

Assistance in collection of UK tax debts
This legislation will give effect to Article 27 of the 2018 Double Tax Agreement with the UK, allowing Jersey to provide assistance to the UK in recovery of its tax debts and vice versa. Consultation will be undertaken during 2025, with the expectation that the States Assembly will be asked to approve the legislation in 2026.

Insurance Business (Jersey) Law 1996
This is under consideration but instructions have not yet been prepared, as officers first need to engage with industry.

Legislative Framework for Digital Assets
Legislation not yet required. The current framework is suitable and respected internationally.

Legislative reforms to the anti-money laundering regime further to the MONEYVAL assessment of Jersey 2023/24
Work is continuing on recommended actions. Several changes were made during 2024, including Orders relevant to Schedule 2.

Limited Partnerships (Jersey) Law 1994
A minor change to the Law was adopted in December 2024 to deal with an issue raised by industry. Due to drafting resource and timing, it was not necessary to progress other matters.

Sustainable Finance
Legislation not yet required. An action plan was launched in November 2024.

Financial Services (Discloser and Provision of Information)
Legislation lodged in September 2024 and became operational on 24 February 2025. Slight delay due to Privy Council timings.

Financial Services (Ombudsman) (Jersey) Law 2014
Drafts well-progressed but deprioritised owing to legislative drafting time contraints.

Pension regulations
This has been deprioritised owing to resource constraints within the department and LDO.

Open Finance
This remains in the exploratory phase – legislative changes not yet identified.

Civil Asset Forfeiture Powers
Drafting instructions are with the LDO.

I hope that the above is useful for the panel's work. Please don't hesitate to contact me if you require further information.

Yours sincerely,



Deputy Ian Gorst
Minister for External Relations

Union Street | St Helier | Jersey | JE2 3DN E: i.gorst@gov.je