

Ministerial Decision – Appointment of the FIU Governance Board – Supplemental Report

The Proceeds of Crime (Financial Intelligence) (Amendment) (Jersey) Regulations 2022 will come into force on 26th July 2023.

As a consequence of these regulations coming into force there are two foundational appointments that the Minister is required to make.

This report deals with the first of these appointments, namely the requirement for the Minister to appoint the Financial Intelligence Unit Governance Board.

Regulation 2D (2) of the above-mentioned regulations states that “The members of the FIU governance board are appointed by the Minister”.

Regulation 2D (3) states that “The Minister must appoint to the FIU governance board –

- (a) at least one representative from a Jersey competent authority; and
- (b) at least one representative from a government department.

The FIU governance board is responsible for the following;

- Determining the general policy and principles by reference to which the FIU is to exercise its functions;
- Setting the strategic direction of the FIU;
- Supervising and keeping under review the FIU’s performance of its functions;
- Considering the annual budget submitted by the Director of the FIU and recommending the FIU’s annual resourcing requirements to the Minister;
- Keeping under review whether the FIU, in exercising its functions, is using its resources in an efficient and economic manner;
- Preparing and providing reports on the FIU’s performance to the Minister.

It is recommended that the Minister appoint the following persons as members of the FIU Governance Board (“the Board”);

1. The Chief Officer of the States of Jersey Police
2. The Attorney General
3. The Head of Jersey Customs and Immigration Service
4. The Director of Enforcement from the Jersey Financial Services Commission
5. The Director of Financial Crime Strategy, Department for the Economy, Government of Jersey

The first 4 members of the FIU Governance Board lead the Jersey competent authorities which have the most frequent operational interaction with the Financial Intelligence Unit.

The fifth board member fulfils the requirement to have at least one representative from government and is the official with ultimate responsibility for implementing Jersey's National Strategy for Combatting Financial Crime.

Each of the proposed members of the Board have agreed to sit on the Board and the proposed board has been meeting in "Shadow" form over the course of 2023 in preparation for the formal establishment, and appointment of members, of the FIU Governance Board when the Proceeds of Crime (Financial Intelligence) (Amendment) (Jersey) Regulations 2022 will come into force on 26th July 2023.

The Minister, in consultation with the Board and the Financial Crime Political Steering Group, will keep under review the constitution of the Board including the potential to add additional independent representatives to the Board in the future.