



Press release

12 March 2019

JFSC secures access for Jersey to UK funds market ahead of Brexit

The Jersey Financial Services Commission (JFSC) has signed a bilateral agreement with the UK financial regulator to secure continued access for the Island to the UK's funds market.

Signed yesterday, the Memorandum of Understanding (MoU) with the Financial Conduct Authority (FCA) will ensure that Jersey's investment funds industry will still be able to market its funds in the UK following Brexit.

The MoU will come into effect in the event that EU law no longer applies in the UK, which could be due to a 'no deal' Brexit or at the end of any transitional period once the UK has left the EU on an agreed basis.

The agreement effectively replaces an existing MoU between the JFSC and FCA, which was facilitated originally by the European Securities and Markets Authority under the Alternative Investment Fund Managers Directive (AIFMD), a law concerning the regulation of the managers of hedge funds, private equity, real estate funds and other alternative investment funds in the European Union.

As a 'third country', Jersey will maintain access to EU funds markets thanks to established bilateral agreements between the JFSC and financial regulators in the majority of EU countries. Brexit will not impact these agreements. However, on leaving the EU, the UK would effectively also become a third country and the existing MoU with Jersey would no longer be valid. The JFSC has therefore acted to replace the agreement with the FCA, ensuring the Island's funds industry can continue to market in the UK.

JFSC Director General, Martin Moloney, commented:

"We are very pleased to once again be able to demonstrate our excellent co-operation with the UK authorities, keeping the UK and Jersey markets open for our world-leading funds industry, whatever the outcome of the Brexit process."

The MoU is available to view on the JFSC website: <https://www.jerseyfsc.org/media/2557/201903-mou-jfsc-fca.pdf>

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