



Feedback on enhancements to the AML/CFT/CPF Handbook

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Consultation feedback

This paper summarises the responses we received to Consultation Paper No. 4 2025 on proposed enhancements to the AML/CFT/CPF Handbook.

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1 Executive summary

1.1 Overview

1.1.1 On 4 June 2025, we launched a consultation on proposed changes to the AML/CFT/CPF Handbook (**the Handbook**), which addressed seven MONEYVAL recommended actions and sought to improve overall accessibility in relation to:

- › enhanced due diligence (**EDD**) (complex structures and politically exposed persons)
- › periodic reviews (high-risk periodic reviews)
- › exemptions, beneficial ownership and control (control through other means)
- › sanctions (indirect links)
- › designated non-financial businesses and professions (**DNFBPs**) and virtual asset service providers (**VASPs**) (sector-specific guidance)

1.2 Feedback received

1.2.1 The consultation closed 4 September 2025. We received 22 responses (directly or via Jersey Finance) along with feedback given from three townhall sessions and a dedicated session with the JFA in relation to complex structures.

1.2.2 Comments were received from a range of sectors. Section 2 of this paper summarises the substantive comments received and our response.

1.2.3 The feedback was wide-ranging. Key themes included:

- › requests to defer the implementation date to allow sufficient time for system and process updates
- › calls for proportionality and clarity in risk-based guidance on complex structures, PEPs (including close associates), and indirect links to sanctioned individuals
- › concerns about operational burden and the practicality of identifying social and professional connections, particularly via social media
- › requests for clearer examples and non-prescriptive guidance on control through other means and ongoing monitoring (including trigger events and termination expectations)
- › support for creating a standalone Prescribed Non-Profit Organisations (**NPO**) Countering the Financing of Terrorism (**CFT**) Handbook
- › suggestions to improve formatting, separate mandatory requirements from guidance, and provide supporting tools such as mapping documents and webinars to ease implementation

1.2.4 We are grateful to respondents for taking the time to consider and comment on the proposals.

1.3 Next steps

1.3.1 We will proceed with the majority of the proposed Handbook enhancements, incorporating feedback where appropriate. The exceptions to this are:

- › the changes in relation to complex structures, where revised proposals are being put forward for further consultation

- › some changes in relation to PEPs which are being deferred pending further work with Government in 2026

1.3.2 Key milestones are as follows:

27 November 2025

publication of:

- › feedback paper
- › follow-on consultation paper on complex structures
- › enhanced AML/CFT/CPF Handbook
- › prescribed NPO CFT Handbook
- › mapping document

12 February 2026

- › feedback period for complex structures consultation paper (**CP**) closes

26 March 2026

- › publication of feedback on complex structures consultation paper and updated enhanced AML/CFT/CPF Handbook

31 May 2026

- › effective date for AML/CFT/CPF Handbook, including complex structures and criminal background checks

1.3.3 The implementation date for the proposed changes will be 31 May 2026.

2 Consultation feedback

2.1 Feedback received

2.1.1 This section summarises the comments received in response to the CP. Whilst not every comment received is individually listed, this section contains summaries of the most common and pertinent comments in relation to each question posed and our response to those comments.

2.1.2 Comments were received from the following sectors (some respondents may represent more than one sector):

Trust company business or trust company service provider	7
Bank	7
Fund services business	2
Other regulated financial services business ¹	1
Other DNFBPs E.g. lawyers, accountants, estate agents	1
Local Jersey Business (non-financial services business)	2
Non-Jersey business	0
Family office	0
Regulatory consultant	1
Trade body	4
Prescribed NPO	0
VASP	0
Other	2

2.1.3 The comments that were received can be split into those responding to a specific question posed in the CP and those on other matters. This section is structured on those lines.

2.2 Question 1: control through other means

Section 4.6: control through other means

Regarding the additional section added on control through other means, please can you provide feedback and comment on the additional guidance provided? We would also appreciate any common examples you have regarding control through other means that are not covered within the revised guidance.

Industry response

2.2.1 19 respondents provided feedback. Industry broadly welcomed the guidance and examples, but were concerned about there being a prescribed checklist and requested

¹ E.g. investment business, insurance, money service business, general insurance mediation business

further examples (especially for lenders and financing) and additional guidance on how to apply judgement to control versus mere influence and insignificant control.

2.2.2 Clarify examples and avoid the checklist effect:

- › concerns that examples may lead to excessive due diligence, especially for fund investors
- › industry wanted reassurance that examples are illustrative and not a prescriptive checklist
- › requests for clearer examples, some examples (e.g. shadow directors, informal control) were seen as vague or overly broad
- › requests for clearer distinctions between influence and control, and between those who do vs. could exert control
- › a number of respondents suggested adding family influence, such as matriarchs and patriarchs
- › promoters, investment managers, and lenders may be controllers (lenders only if control is legally exercisable), while investment advisors should be excluded unless they direct decisions
- › suggestions to remove or clarify references to customers, advisers, and 'significant influence'

2.2.3 Provide practical guidance and identification steps:

- › calls for examples of good practice in identifying control through other means
- › concerns about how firms can reasonably identify informal control, and it should be clear that control must be significant, not minor
- › suggestions to clarify when control arises (e.g. lenders only when control is legally exercisable)
- › requests to link the new section to the Registry's Three-Tier Test and other existing guidance

2.2.4 Regulatory and operational Impact:

- › suggestions to align with FATF and UK standards where possible
- › risk of increased compliance burden and unintended consequences
- › potential implications for tax residency determinations
- › desire for calibration to avoid Jersey being disadvantaged compared to other jurisdictions

Our response

2.2.5 Identification of controllers who exercise control through other means is the mandatory second tier of the three-tier test. While there is no prescribed checklist, firms need to be able to explain how their policies and procedures enable them to identify whether there are controllers through other means.

Clarify examples and avoid checklist effect

2.2.6 Wording has been refined to emphasise judgement on a risk-based approach and confirm that examples are illustrative, not exhaustive, and should not be treated as a mandatory checklist. Additional examples, provided by respondents, are now included, such as:

- › family influence (e.g., head of family)
- › lenders control applies only where it is legally and practically exercisable
- › enforcer or protector of a trust with veto or approval

2.2.7 We have confirmed that 'control' must be significant, not minor influence. We have retained reference to 'significant influence' as a direct reference to the FATF guidance which refers to significant influence in the context of control through other means.

2.2.8 Concern was expressed at the inclusion of investment managers and promoters as potential controllers. These roles were already identified in section 13.3.5 of the existing Handbook as possible controllers by other means. We have removed Investment advisers as an example, noting that control is subjective, and it is possible for investment advisers to exercise control by other means where they are directing decisions.

2.2.9 The Registry and Handbook guidance has been considered in formulating this guidance, as well as the UK registry guidance on exercise of significant control. We have also looked at the [FATF Guidance on Beneficial Ownership of Legal Persons](#). We have made refinements to ensure clarity, proportionality, and practical application to assist industry in identifying those who control by other means.

Practical application and good practice

2.2.10 We have clarified that while a primary source is client disclosure, this is not the sole way to ascertain control through other means, which may not be immediately apparent. We have added an example of how an entity's policies and procedures may demonstrate steps to rule out control through other means.

Regulatory and operational impact

2.2.11 Guidance framed to support effective compliance with the mandatory obligation to identify those controlling through other means without increasing workload unnecessarily.

2.3 Question 2: ongoing monitoring

Section 6: ongoing monitoring

Regarding the revised ongoing monitoring section, please can you provide feedback and comment on the additional guidance provided generally?

Industry response

2.3.1 19 respondents provided feedback. Industry broadly welcomed the guidance and examples, but requests were received to amend wording for clarificatory purposes, add additional definition to trigger events, provide clarity around expectations relating to termination, link guidance to suspicious activity reporting (**SAR**) and amendments or additions to the examples given for event driven reviews.

Our response

Wording amendments

2.3.2 We received and acknowledged the following suggested wording changes across Section 6 to improve clarity:

- › amended 'ascertain' to 'verify' in paragraph 51 of section 6.1
- › amended 'procedures' to 'processes' in paragraph 11 of section 6
- › replaced 'at the time of take on' with 'at the time the business relationship is established' in paragraph 4 of section 6
- › section 6, paragraph 7, added to include 'up to current standards'.

- › added ‘and re-risk assess’ to trigger event box in diagram under section 6 paragraph 14
- › amended ongoing screening box in diagram under section 6 paragraph 14 to say ‘screening approach driven by latest risk rating’
- › removed ‘level of periodic review’ from diagram in paragraph 14 under periodic review box, as this is not defined and could lead to confusion

We also amended the tense in paragraph 5 of Section 6.1 based on feedback.

Trigger events

2.3.3 Suggestion to add a specific definition for ‘trigger event’ was agreed with and accepted. The following definition is now in paragraph 2 of section 6:

- › ‘a trigger event is an event or circumstance that triggers the supervised person to review the information and documentation held on the customer to ensure that it is comprehensive, accurate and up to date’

2.3.4 Industry also provided helpful examples of trigger events, which have also been incorporated:

- › amended trigger event example in 5.7.2 to ‘change to customer’s Source of Wealth and/ or changes in risk profile of customer’s SoW’
- › added trigger event to cover ‘material changes to the assets and business activities of a structure and Exclusion/addition of beneficiaries to a Trust’ in paragraph 22 of section 6

Termination clarification

2.3.5 We have amended the wording in section 6 to clarify our termination expectations. The revisions in section 6 are not new requirements but rather a reminder of existing ones:

- › removed the wording ‘termination provides an opportunity to ensure CDD records are up to date. It is important to review and consider where reliance or an exemption has been used that impose ongoing testing obligations which may be difficult to fulfil once the customer relationship has been terminated.’

With:

- › ‘termination provides an opportunity to ensure CDD records are up to date, please refer to section 9.5.2 for guidance on terminations.’

Link to suspicious activity reporting

2.3.6 We agree that it would be beneficial to cite suspicious activity reporting, so we have added to paragraph 50 of section 6:

- › if the above applies, a suspicious activity report should be considered (refer to section 9.3).’

2.3.7 Please can you specifically provide feedback on clarity of expectations regarding

- a) periodic reviews; and
- b) enhanced monitoring for higher risk customers?

2.3.8 18 respondents provided feedback. Industry broadly welcomed the guidance and examples, but requests were received to amend wording, specifically around the use of ‘best practice’, which is deemed not appropriate for guidance. We also acknowledge receipt of requests to be more prescriptive in providing indicative review cycles.

Our response

Wording amendments

2.3.9 Minor wording suggestions and references to 'best practice' throughout the section have been removed.

Prescriptive review cycles

2.3.10 We received several requests to provide illustrative defined review cycles. We will consider the appropriateness of this in future updates.

2.4 Question 3: sanctions indirect links

Section 6.5.3: sanctions indirect links

Regarding the expanded indirect links guidance, please can you provide feedback and comment on the additional guidance provided, including guidance on any steps you use to identify indirect links in practice that have been omitted?

Please also provide any examples of note where identification of indirect links has been particularly challenging, which would serve as good illustrations of scenarios the guidance needs to clarify.

Industry response

2.4.1 Industry was concerned about the references to political links, financial links, family link, social links, and business links and that screening for all these types of links for every customer was excessive, costly, time consuming and ethically problematic. Industry was strongly opposed to using social media as a reliable source to indirect links.

2.4.2 Industry indicated that they already do extensive screening and wanted clarity on expectations regarding what they perceived as an expansion of requirements.

2.4.3 Clarity on expectations was requested. Industry wanted acknowledgement that screening tools have limits and technology cannot capture all connections, yet they remain an acceptable way to identify links.

2.4.4 Practical examples were also requested. One respondent highlighted that complex ownership structures and cross jurisdictional opacity made ascertaining the ultimate beneficial owner difficult. Another commented on the difficulty of screening underlying activities of entities that were indirectly owned.

Our response

2.4.5 We recognise the challenges highlighted by respondents and appreciate the constructive feedback. Firms should remain mindful of the scope and limitations of their chosen screening tools and factor these into their risk-based approach. The additional guidance is intended to assist by highlighting the different types of indirect links that may arise, rather than prescribing checks for every customer. References to social media are illustrative only and not mandatory; they will be considered further in our response to PEPs.

2.4.6 To add clarity to expectations, we have reiterated the statutory requirements from Article 2A and Schedule 2 of Sanctions and Asset-Freezing (Jersey) Law 2019 (Sanctions and Asset Freezing Law).

2.4.7 Industry indicates that where customers are higher risk, they often use more sophisticated and in-depth screening methods. This is commendable, however, one of

the challenges with sanctions indirect links is that individuals who appear low-risk and do not trigger standard red flags are sometimes deliberately used by sanctioned persons to facilitate transactions. In many cases, overnight screening and database screening tools that are configured widely and for the majority of customers should suffice.

2.4.8 Industry provided some practical examples of how sanctions links could be identified during the course of a business relationship, where they may not be apparent at the outset. These examples have now been incorporated in the Handbook to assist firms in identifying such scenarios.

2.5 Question 4: PEPs and social and professional close associates of PEPs

Section 7.6: PEPs and social and professional close associates of PEPs

Regarding the additional PEP identification guidance, please can you provide feedback and comment on the additional guidance provided and note any scenarios that you may consider challenging with regard to the identification and subsequent enhanced measures applied to PEPs?

Regarding the additional close associates guidance, please can you provide feedback and comment on the additional guidance provided, including guidance on any examples of close associates you have identified in practice that have been omitted?

Please also provide any examples of note where identification of close associates has been particularly challenging, which would serve as good illustrations of scenarios that the guidance needs to clarify

Industry response

2.5.1 Industry feedback to the above questions highlights concerns about the practicality, reliability, and proportionality of the proposed guidance on identifying close associates of PEPs. While firms already conduct additional due diligence for higher-risk customers, many felt the guidance implied that such in-depth searches would be required for all clients, which was seen as excessive.

2.5.2 Respondents noted that the reference to social and professional connections appeared to expand the definition of 'close associate' beyond what is currently set out in the Money Laundering (Jersey) Order 2008 (**Money Laundering Order/MLO**). This raised concerns about operational burden, resource constraints, and inconsistent application across firms.

2.5.3 There was significant feedback on the use of social media, with concerns including:

- › **reliability:** social media was viewed as an unreliable source due to the prevalence of AI-generated content, deepfakes, and unverifiable information
- › **scope and ambiguity:** the vast number of platforms and the volume of connections individuals may have make it difficult to determine meaningful associations; the guidance lacks clarity on the frequency and context of interactions that would qualify as a close associate
- › **cybersecurity:** many firms restrict access to social media due to security risks and workplace policies
- › **data protection:** holding information on individuals who are not customers raises privacy and compliance concerns
- › **access limitations:** privacy settings and blocked profiles further limit the usefulness of social media for due diligence

2.5.4 A suggestion was made to remove references to 'social media' and instead refer to 'open-source media'.

2.5.5 Additional queries were received outside the consultation regarding the scope of family connections, the list of domestic PEPs in Jersey, and clarification on declassification

periods for family members and close associates. Some respondents also questioned the classification of Guernsey as a ‘foreign’ jurisdiction and requested more practical examples to support implementation.

2.5.6 Challenges were noted in identifying PEPs from Southeast Asia and China, and several scenarios—such as board membership, historical relationships, and indirect social connections—were flagged as ambiguous. Firms requested clearer definitions and illustrative examples to support consistent, proportionate decision-making.

2.5.7 Overall, the guidance was viewed as overly broad and burdensome, with calls to align expectations with actual risk and existing regulatory standards.

Our response

2.5.8 The MONEYVAL Recommended Action regarding PEPs highlighted two points:

- › the need for EDD to be applied to all foreign PEPs, not just those assessed as high risk
- › guidance on close associates to ensure EDD is applied to individuals closely connected with PEPs socially or professionally

2.5.9 The first element was largely uncontroversial and represents the provisions of existing Article 15A of the MLO. We will be retaining the table summarising the existing position that EDD is applied to all foreign PEPs.

2.5.10 We reiterate the position for domestic PEPs is that no enhanced measures are required unless they are higher risk domestic PEPs.

2.5.11 We further clarify that client identification of their close associates is not the only way that close associates should be identified. The MLO states, ‘for the purpose of deciding whether a person is a close associate of a person, a relevant person need only have regard to information which is in that person’s possession or is publicly known.’ This means firms should apply a risk-based approach and consider other sources of information, rather than relying solely on customer declarations.

2.5.12 Whilst considering the proposed amendments, we reviewed the PEP guidance in light of the FATF 2013 guidance and the assessment team’s focus on identifying social and professional close associates, including through social media.

2.5.13 The FATF guidance defines close associates as “individuals closely connected to a PEP, either socially or professionally”. While the MLO provides an inclusive definition, we understand why industry may have interpreted it as limited, and we are considering how best to clarify this.

2.5.14 We acknowledge the concerns raised about the use of social media. The landscape has changed significantly since 2013, with the emergence of AI-generated content, deepfakes, and a proliferation of social media platforms. These developments have made it more difficult to reliably identify meaningful connections, particularly where there is no financial or business relationship.

2.5.15 During the consultation period, the FCA published updated PEP guidance, which we are also reviewing.

2.5.16 To allow for proper consideration of industry feedback, take into account the FCA’s updated PEP guidance and work with the Government of Jersey on any necessary amendments to the MLO, we are deferring changes on this to 2026.

2.6 Question 5: complex structures

Section 7.8: complex structures

Regarding the additional complex structure guidance, please can you provide feedback on the additional guidance provided, including any common challenging examples of complex structures you have that the guidance would need to accommodate?

Please note down any mitigating measures omitted and not currently covered in the complex structure section that you apply in practice.

Industry response

- 2.6.1 18 respondents provided feedback. Industry broadly welcomed the guidance and examples, but requests were received to amend wording, specifically around use of 'best practice' which is deemed not appropriate for guidance. We also acknowledge receipt of requests to be more prescriptive with providing indicative review cycles.
- 2.6.2 Industry feedback was predominantly that complex structures were encountered on a regular basis and that complex structures, like non-resident customers and non-face to face customers, did not equate automatically to higher risk. Industry argued they are capable at identifying complex structures and mitigating those structures and apply additional measures, many of which appeared as enhanced due diligence as standard.
- 2.6.3 Industry also perceived that making a complex structure automatically higher risk, and applying EDD measures, would result in consequences such as having to apply enhanced ongoing monitoring or additional senior management oversight.

Our response

- 2.6.4 In addition to the feedback received, we had direct engagement with representatives of the funds industry, where many of the most complex structures are found.
- 2.6.5 Our objective is to implement the MONEYVAL Recommended Action in a way that appropriately addresses the risk of money laundering that may be facilitated by these structures, while applying a proportionate, risk-based, pragmatic approach for legitimate businesses rather than a formulaic or 'tick box' process.
- 2.6.6 One respondent noted that a purely prescriptive process could capture 80% of their structures, most of which they would not regard as high risk. This reinforces the importance of tailoring measures to the risk presented rather than adopting a one-size-fits-all solution.
- 2.6.7 Therefore, we have decided to revise our approach which will require further input from industry. Please see the follow-on consultation on our website: [Follow-on consultation: AML/CFT/CPF Handbook enhancements complex structures — Jersey Financial Ser...](#)

2.7 Question 6: VASPs overview

Section 16: VASPs

Regarding the additional VASP section, please can you provide feedback on the additional guidance provided, including any VASP specific typologies or red flags that are indicative of money laundering that we have missed from the examples provided?

Industry response

- 2.7.1 19 respondents provided feedback. Industry broadly welcomed the guidance and examples. One minor request received to update 'KYC' terminology to 'CDD.'

Our response

2.7.2 Amendment made per suggestion. All 'KYC' terminology updated to read 'CDD.'

2.8 Question 7: DNFBP Overview

Section 17: DNFBP overview

Regarding the additional DNFBP overview section, please can you provide feedback on the additional guidance provided, including any missing general guidance that is an area of challenge when looking to implement effective AML controls?

Industry response

2.8.1 Few comments were received by industry on the DNFBP overview. One respondent suggested that the ordering should reflect that in section 2.

Our response

2.8.2 The ordering now reflects section 2.

2.9 Question 8: DNFBP sections (excluding TCSPs)

Sections 18,19,20 and 21: DNFBP sections (excluding TCSPs)

Regarding the revised DNFBP sections, please provide feedback on the revised guidance provided, including any DNFBP specific:

- (a) typologies or red flags that are indicative of money laundering that we have missed from the examples provided; or
- (b) vulnerabilities of any particular products or services offered by DNFBPs

Industry response

2.9.1 Two respondents asked for UK commercial property to be recognised as low risk.

Our response

2.9.2 The UK National Risk Assessment and the National Crime Agency do not class UK commercial property as low risk, so we will not be making this change to the current guidance.

2.10 Question 9: Prescribed NPO CFT Handbook

Prescribed NPO CFT Handbook

Regarding the removed and revised Prescribed NPO section, please can you provide feedback on the revised approach, including specifically any comments on the overarching proposal to remove the Prescribed NPO section and revise it into a standalone handbook?

Industry response

2.10.1 All eight respondents were in favour of the standalone NPO section. One highlighted that TCSPs and TCBs who administer prescribed NPOs would still have to comply with the AML/CFT/CPF Handbook but should have enough relevant compliance experience to be able to manage this small inconvenience. The benefit to the NPO sector to have its own separate handbook reduces the risk of confusion and therefore outweighs the inconvenience to the TCB sector.

Our response

2.10.2 We developed the Prescribed NPO CFT Handbook following engagement with the sector, who considered it a more proportionate approach. This reflects the position that prescribed NPOs are subject to oversight solely in relation to terrorist financing. Feedback from both the formal consultation and wider industry engagement has been overwhelmingly supportive of the standalone handbook. In addition, a few minor formatting amendments have been made regarding the badging of overviews, guidance, and guidance for Crown Dependency regulated TCSPs.

Question 10

2.11 Question 10: general comments on updates

Regarding the enhancement of the wider Handbook, please can you provide feedback on any other enhancements being made to the Handbook not captured by the previous questions?

Industry response

2.11.1 Some respondents highlighted formatting errors, including in the exemptions tables. Some feedback was also received on identifying and verifying individuals (Section 4) and exemptions (Section 8), which we have responded to below. We also acknowledge a wide range of feedback on unrelated subject matters.

Our response

2.11.2 Thank you to those who pointed out formatting inconsistencies (e.g. bullet points, typos, errors in tables) which have been corrected.

2.11.3 Feedback on Section 4 was received relating to updates to the tables. We have revised this based on feedback, as the intention was not to make it mandatory to verify former names. We have also made clearer the expectations around outsourcing referenced in this section.

2.11.4 We received some feedback on amended wording in section 8 (exemptions), which we have adjusted to reflect those exemptions with risk-mitigating conditions to be met.

2.11.5 Wider feedback has been added to our maintained 'wish list' for future consideration.

2.12 Question 11: timeframes

Do you think the timeframes, with publication of the final version of the Handbooks by early November 2025 and them becoming effective on 1 January 2026 gives industry sufficient time to comply?

Please also note anything useful in supporting the transition to the revised Handbook. For example, facilitating a transition period, providing a mapping document or additional Webinars or townhalls. We may not be able to accommodate every request, but we will endeavour to reduce the administrative burden where possible.

Industry response

2.12.1 Most respondents felt the 1 January 2026 effective date was too ambitious, leaving little time for implementation. They noted the short window from early November 2025 to January 2026 and cited Christmas and year-end constraints, including reduced staffing and competing deadlines. There is a consistent call for a longer lead-in time, with suggestions ranging from a few extra months to a six-month extension, commonly proposing June 2026 as a more realistic date. One respondent talked about a staggered

lead in time. Respondents emphasised the need for time to update policies, procedures, systems, and staff training, especially given the complexity of changes such as new Codes of Practice, customer due diligence enhancements, and technology updates. Several also request supporting materials like mapping documents, webinars, and townhalls to ease the transition and reduce administrative burden.

Our response

- 2.12.2 We acknowledge industry concerns about the Handbook's effective date, and we have deferred implementation to 31 May 2026.
- 2.12.3 We are deferring PEPs and complex structures changes pending further policy decisions, as explained in section 2.6 of this paper.

2.13 Question 12.1: any other comments

Do you have any other comments in relation to these proposals?

Industry response

- 2.13.1 Industry feedback to this question focused on the specific proposals within the consultation. Respondents raised concerns about the proportionality of certain requirements, particularly around complex structures and PEPs, and the operational burden they may impose.
- 2.13.2 There were calls for clearer tracked changes in Handbook updates, improved formatting (e.g. colour coding for additions and deletions), and separating explanatory content from core requirements. Some suggested that non-legislative guidance and examples should be placed in appendices to avoid confusion and allow easier updates.
- 2.13.3 Industry sought better engagement with them on implementation planning and phased rollouts aligned with risk levels.
- 2.13.4 There was a recurring theme that some felt the guidance was being interpreted as mandatory, limiting flexibility.
- 2.13.5 While some supported the alignment with MONEYVAL recommendations, others questioned whether all recommendations should be implemented in full, especially where they exceed what was required or risk harming Jersey's competitiveness. Concerns were raised about the cumulative effect of new requirements, especially on complex structures and PEPs. Industry said these could increase costs and deter new business, particularly compared to jurisdictions like Guernsey or the UK, which are seen as more streamlined or deregulating.
- 2.13.6 Specific technical suggestions:
 - › reassess complexity triggers to avoid over-classifying standard structures
 - › consider the use of AI in Handbook navigation or implementation
 - › define 'financial crime' consistently across the Handbook
 - › consolidate Codes of Practice in one section, with supporting guidance elsewhere

Our response

- 2.13.7 We are deferring PEPs and complex structures changes pending further policy decisions as explained in section 2.6 in this paper.

2.13.8 We are reviewing how to make the Handbook easier for industry to use, including exploring technology that could help. We will engage with industry as this work progresses.

2.13.9 We engaged extensively on the Handbook enhancements, which were drafted in response primarily to address issues raised in the MONEYVAL action plan, including risk-based priority actions.

2.13.10 We reiterate the position that guidance is not mandatory.

2.14 Question 12.2: any other comments

We welcome any wider feedback you have on the Handbook as part of our commitment to competitiveness. Please provide any broader comments you may have regarding the Handbook and how we can improve it.

Industry response

2.14.1 Industry feedback to this question focused on broader improvements to the Handbook and its alignment with Jersey's competitiveness goals. Respondents called for clearer separation between binding requirements and guidance, noting that guidance is often treated as mandatory in practice. Suggestions included restructuring the Handbook to consolidate Codes of Practice and placing explanatory content in appendices, improving formatting and tracked changes, and producing a central mapping document to reduce compliance burden.

2.14.2 Concerns were raised about the increasing length and complexity of the Handbook, with comparisons made to simpler frameworks in other jurisdictions.

2.14.3 Several respondents highlighted inconsistencies between the AML regime and the Companies Registry regime, which create confusion and duplication during onboarding.

2.14.4 There were also calls for more practical, risk-based approaches to domestic customers to avoid financial exclusion, especially for residents lacking standard ID documents.

2.14.5 Specific feedback highlighted the following as disproportionate or unclear:

- › clarifying expectations around digital ID
- › deputy MLRO appointments
- › verification of former names

2.14.6 Respondents also requested more engagement before consultations are released, and greater clarity on how changes will be supervised and enforced.

2.14.7 Overall, the feedback reflects a desire for a more streamlined, proportionate, and user-friendly Handbook that supports both regulatory compliance and Jersey's strategic positioning.

Our response

2.14.8 We support and are committed to working with industry to deliver a streamlined and user-friendly Handbook. We maintain a list of requests in relation to the AML/CFT/CPF Handbook, and this is considered when prioritising our policy work.

3 Enhanced AML/CFT/CPF Handbook and Prescribed NPO CFT Handbook

3.1.1 Drafts of the following documents are linked to this consultation:

Description of draft document	Link
Handbook for financial services business, together with a tracked change version.	Handbook (tracked changes) Handbook (clean version)
Prescribed NPO CFT Handbook	NPO Handbook (tracked changes) NPO Handbook (clean version)
Matrix mapping the COP of existing Handbook to new version	Matrix mapping
Table mapping Section 17 with the new sections of the NPO CFT Handbook	NPO Handbook – mapping document

4 Next steps and timeline going forward

Action and documents	Date
Publication of: <ul style="list-style-type: none"> › feedback paper › follow on consultation paper on Complex Structures › enhanced updated AML/CFT/CPF Handbook › prescribed NPO CFT Handbook › mapping document 	27 November 2025
Feedback period for complex structures CP closes	12 February 2026
Feedback paper on complex structures CP, including updated Enhanced AML/CFT/CPF Handbook	26 March 2026
AML/CFT/CPF Handbook effective date (including complex structures and criminal background checks)	31 May 2026

4.1.1 The next steps regarding PEPs will be communicated in the first half of 2026, taking the UK position into account and the relevant feedback provided by industry throughout this consultation.

4.1.2 We thank all stakeholders who took the time to engage in this process.

Glossary

Defined terms are indicated throughout this document as follows:

Action Plan	JFSC MONEYVAL action plan
AML	anti-money laundering
Beneficial Ownership	has the meaning set out in Article 2 of the Money Laundering Order. May also be referred to as 'beneficial owner' or 'controller'
CDD	customer due diligence
CFT	countering the financing of terrorism
Codes of Practice/COP	AML/CFT/CPF Codes of Practice set out in the Handbook
Commission Law	Financial Services Commission (Jersey) Law 1998
consultation/CP	this consultation paper
CPF	countering proliferation financing
DNFBP	Designated non-financial businesses and professions as defined in the FATF glossary. Refers to activities or operations specified in Part 3 of Schedule 2 to the Proceeds of Crime Law.
EDD	enhanced due diligence
FATF	The Financial Action Task Force
Financial Institution(s)/FIs	As defined in the FATF glossary. Refers to activities/operations specified in Part 2 of Schedule 2 to the Proceeds of Crime Law.
financial services business(es)	has the meaning in Article 36 of the Proceeds of Crime Law
financing of proliferation or proliferation financing	for the purposes of this consultation, this term means: conduct which creates the risk of non-implementation, breaching, circumvention, or evasion of the Targeted financial sanctions related to proliferation of weapons of mass destruction and its financing, effective in Jersey. Persons involved in the financing of proliferation are sometimes described as proliferators or proliferation financiers
financing of terrorism or terrorist financing	<ul style="list-style-type: none">› conduct which is an offence under any provision of Articles 15, 16 and 16A of the Terrorism Law› conduct outside Jersey which, if occurring in Jersey, would be an offence under Articles 15, 16 and 16A of the Terrorism Law› conduct which is an offence under any provision of Article 21 of the Terrorism Law› conduct which is an offence under any provision of Parts 3, 4 and 6 of the Sanctions and Asset-Freezing Law

	<ul style="list-style-type: none"> › persons involved in the financing of terrorism are sometimes described as terrorist financiers
Guidelines	means guidelines issued by the JFSC on the interpretation of any provision in Schedule 2, including any expression used in Schedule 2 in accordance with Article 36(2) of the Proceeds of Crime Law
Handbook	Handbook for the detection and prevention of money laundering, the countering of terrorist financing and countering of proliferation financing. Also known as the AML/CFT/CPF Handbook
Immediate outcome/IO	the FATF Immediate Outcomes adopted in February 2012 and as amended to date
JFSC/we/us	Jersey Financial Services Commission
MER	Fifth Round MONEYVAL Mutual Evaluation Report of Jersey
Money laundering	<p>for the purposes of this consultation, means:</p> <ul style="list-style-type: none"> › conduct which is an offence under any provision of Articles 30 and 31 of the Proceeds of Crime Law › conduct which is an offence under any provision of Articles 34A and 34D of the Proceeds of Crime Law › conduct which is an offence under any provision of the Sanctions and Asset-Freezing Law or any provision of an Order under Article 3 of that Law › conduct which falls within the definition of financing of terrorism set out in this consultation
Money Laundering Order/MLO	Money Laundering (Jersey) Order 2008
MONEYVAL	the committee of experts on the evaluation of anti-money laundering measures and the financing of terrorism
NPO	<p>Non-profit organisations defined under Article 1 of the NPO Law. The definitions extend to both regulated NPOs and registered NPOs. The sector, including all NPOs may also be referred to as the non-profit sector.</p>
NPO Law	Non-Profit Organizations (Jersey) Law 2008
PEPs	politically exposed persons
Prescribed NPO	<p>Has the meaning given in Article 1 of the Prescribed NPO Order. The sub-set of NPOs which present a higher risk of being abused for terrorist financing purposes.</p>
Prescribed NPO CFT Handbook	proposed standalone Handbook for Countering the Financing of Terrorism for NPOs based on Section 17 of the existing Handbook
Prescribed NPO Order	Non-profit Organisations (Prescribed NPOs – Additional Obligations Jersey) Order 2022.

Proceeds of Crime Law	Proceeds of Crime (Jersey) Law 1999
Recommended Actions/ MONEYVAL Recommended Actions	actions set out in the MER for Jersey to take, which, in the view of the MONEYVAL assessment team, would strengthen Jersey's financial crime framework
Sanctions and Asset- Freezing Law	Sanctions and Asset -Freezing (Jersey) Law 2019
SAR	suspicious activity report
Source of Funds	<p>The activity that generates the funds for a customer (e.g., salary, trading revenues, or payments out of a trust).</p> <p>Source of funds relates directly to the economic origin of funds to be used in a business relationship or one-off transaction.</p>
Source of Wealth	<p>The activities that have generated the total net worth of a customer (e.g., ownership of a business, inheritance, or investments).</p> <p>Source of wealth is the origin of the accrued body of wealth of an individual.</p>
supervised person	<p>Has the meaning given in Article 1 of the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008.</p> <p>Also referred to as RE's, namely reporting entities in the Recommended Actions.</p>
Terrorism Law	Terrorism (Jersey) Law 2022
VASP	<p>virtual asset service provider.</p> <p>Has the meaning given in paragraph 24 of Part 4 of Schedule 2 to the Proceeds of Crime Law. To assist with the interpretation of VASP activities and operations, refer to the Guidelines.</p>