

8 August 2017

Dear CEO and Compliance Officer

The Jersey Financial Services Commission's (JFSC) [Consultation Paper \(CP\) on Data for Risk Based Supervision](#) addresses our long-term data needs. The proposals set out in the CP will have a direct impact on your firm and we would therefore ask that you take the time to study them and provide your comments using the response form provided.

The JFSC has a strategic goal of becoming a more agile and risk-based supervisor – we want to “pick the important problems” and fix them. However, before we can identify which risks we need to focus on, we first need to understand what risks exist in the financial sector. This is the purpose of obtaining data. We need to form a comprehensive and objective view of where the main risks lie in order to then decide which issues warrant attention (and which do not.)

For most firms, the proposals represent a material increase in the reporting obligations that currently exist. Whilst we have concluded that improved data is fundamental to us achieving a truly risk-based approach, we will strive to implement any new requirements in a proportionate and measured way, taking into account the feedback that you provide.

Alongside this project, work will take place on a National Risk Assessment (NRA) for Jersey. The completion of the NRA is a multi-agency Island project which is being overseen by the Financial Crime Strategy Group, led by Government. In order to complete the NRA, a wide range of information, including Industry data, needs to be collected and the JFSC will be the collection agent for this.

More detail regarding Industry involvement in the NRA, and specifically information requirements impacting Industry, will be forthcoming in the latter part of Q3 2017.

This project also represents an opportunity for us to improve the means by which we collect data. We are therefore in the process of developing our Portal interface to facilitate direct and secure submission of data, and streamlining existing data requirements in order to eliminate unnecessary duplication. This will take time to achieve, balancing the desire to improve requirements against the costs incurred in making changes too swiftly both within the JFSC and for Industry.

We look forward to receiving your feedback on the proposals in due course. In the meantime, we will be arranging a series of workshop events in early October which will provide an opportunity for you to raise questions with us. Further details of these events will be published shortly.

Yours faithfully

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