Welcome
John Harris, Director General
Agenda - speakers

Chief Minister, Senator Ian Gorst, Government of Jersey

John Harris, Director General, JFSC

Key highlights of 2017

Lord Eatwell, Chairman, JFSC

Strategic and major priorities for 2018

Jill Britton, Director of Supervision, JFSC

Strategic and major priorities for 2018
Objectives

- Facilitate access to key markets
- Make interaction with stakeholders straightforward and effective
- Focus regulation on greatest perceived risks
- Safeguard the sustainability, efficiency & independence of the JFSC
Agenda – panel Q&A

Facilitator

John Harris, Director General, JFSC

Panel member

Lord Eatwell, Chairman, JFSC

Panel member

Richard Corrigan, Chief Officer, Financial Services, Digital & Enterprise, Government of Jersey

Panel member

Jill Britton, Director of Supervision, JFSC

Panel member

Denis Philippe, Head of ICT, JFSC
Chief Minister, Senator Ian Gorst, Government of Jersey
Key highlights of 2017
John Harris, Director General
Infrastructure development enablement
Cyber defence
Beneficial Ownership and Control

Progress on based supervision
Risk event capture
Data collection
ie:
portal fees
Internal risk model

New and revised policies and products
Outsourcing Policy
Jersey Private Fund
AML/CFT developments
MONEYVAL follow up
Handbook guidance

Showcase topical
Serious Fraud Office visit and event
Terrorist financing
Industry event
security

International
Highlights of 2017

Highlights of 2017
Infrastructure development

› E-enablement
› Cyber defence
› Beneficial Ownership and Control
Progress on risk-based supervision

› Risk event capture
› Data collection ie: portal fees
› Internal risk model
New and revised policies and products

› Basel III
› Outsourcing Policy
› Jersey Private Fund
AML/CFT developments

› MONEYVAL follow up
› Handbook guidance
Showcase topical issues

› Serious Fraud Office visit and event
› Terrorist financing Industry event
› Cyber security conference
International engagement

› Washington visit with AG
› Visit to Tracfin
› GIFCS assessment
› OECD
› Paradise Papers
› EU Code of Conduct
MORE THAN £212,000 STOLEN IN BANKING SCAM

The Fraud Prevention Forum has reported that the number of financial scams targeting the elderly is increasing. These scams often involve false promises of high returns or investments.

The Forum advises that anyone receiving such offers should be cautious. They should verify the legitimacy of the offers and contact the relevant authorities before sending any funds.

JERSEY FRAUD PREVENTION FORUM
NEWSLETTER

TIGHTEN YOUR SAFETY NET

Being vigilant is key, and you should always be aware of potential risks. Regularly checking your bank statements and credit card balances can help identify any unauthorized transactions. Additionally, keeping your passwords and personal information secure is essential.

JERSEY FRAUD PREVENTION FORUM

Scams
Be suspicious
Be safe

PROMOTED BY IOSCO

WORLD INVESTOR WEEK 2017
Strategic and major priorities for 2018

Lord Eatwell, Chairman
The JFSC’s business plan is about safeguarding the best economic interests of Jersey.

Risk management is at the core of this business plan.
Ensuring that the JFSC is an agile, flexible and responsive regulator
Facilitating market access

› Jersey must adapt to the new international banking regulations. International deadline is January 2019

› It is necessary for Jersey to implement recommendations on AML/CFT ahead of the next MONEYVAL assessment in 2021.
Beneficial Ownership and Control

- Develop a new Registry law
- Establish a Register of Directors
- Adopt international standards established by the Financial Action Task Force and the OECD Global Forum
Our investment programme at the JFSC is a key component in maintaining market access for firms in Jersey.
Digital channels in 2018

Develop new website – ensuring relevant information is in the right place for Industry and the public

Aim for substantial progress of digital access to the JFSC

Implement common login account across regulatory and Registry portal
Support the introduction of the Jersey Private Fund product by updating COBO to give it modern regulatory powers.
“Nobody, as I knows on. I spect I grow’d. Don’t think nobody never made me.”

Uncle Tom’s Cabin
Harriet Beecher Stowe
2018 marks the 20\textsuperscript{th} anniversary of the Jersey Commission Law
Strategic and major priorities for 2018

Jill Britton, Director of Supervision
Risk-based Supervision
Five key aims

- Better information management
- Improved risk awareness and management
- Enhanced authorisation and supervision
- Enhanced people strategy
- E-enablement strategy
To provide a better future...

- A better place to work
- More engagement with our stakeholders - an easier organisation with which to do business
- Highly effective risk management and supervision
- One database, one team, one JFSC
Progress to date

- Transitioned to entity-based supervision
- Implemented new supervisory examinations approach
- Formed dedicated Risk and Administration teams
- Implemented new CRM system
- Collected £11m worth of fees, registered 1,000 regulated users, 1,800 annual invoices issued
Supervision – our vision

- Demonstrate effectiveness
- Move to proportionate risk-based supervision
- Adopt a sustainable model for the future
- Maximise new opportunities
- Match resourcing with risk and complexity
- Implement a framework for assessed competence in supervision
2018 systems delivery prioritisation

Stage 1: CRM pilot

Stage 2: Authorisation, maintenance and cessation tasks, examination remediation

Stage 3: Financial statements, notifications

Stage 4: Supervision data collection, authorisation

Stage 5: Risk model
Target Operating Model 2018

Relationship managed supervision

- Enhanced entities
- Proactive entities

Central Authorisation team

SEU

Risk Unit

Regulatory maintenance for all entities

Supervision of reactive entities

Market entry/exit

Cessation/market exit

Authorisation of new entities and products
National Risk Assessment
Cyber Security

JFSC 2017 cyber survey highlighted 32% of respondents did not have cyber incident response plans in place.
Actively engage in Government’s cyber security strategy delivery as part of the Cyber Security Task Force

Further enhance our defensive measures. Focus on training and awareness for staff

Expand our outreach programme to Industry
Cyber Security

› Build our relationships with UK’s National Crime Agency and National Cyber Security Centre, sharing security events and threat information

› Develop further our collaboration with the Cambridge University Cybercrime Centre
Civil Penalties

To enable penalties to be imposed on regulated firms for negligent contraventions of the Codes of Practice

To enable penalties to be imposed on principal persons where the contravention of a Code was a result of their own poor conduct

The Government has approved the law drafting instructions and the draft legislation is due to be issued during Q2.
Financial Education
To conclude...
Panel Q&A

Facilitated by John Harris, Director General

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› Jill Britton, Director of Supervision
› Richard Corrigan, Government of Jersey
› Denis Philippe, Head of ICT