



Follow-on consultation:
AML/CFT/CPF Handbook
enhancements complex structures
No. 8 2025

Issued: 27 November 2025

Consultation

The Jersey Financial Services Commission (**JFSC**) invites comments on this consultation paper by **Thursday 12 February 2026**. If you would like any support and more information before submitting a response, please contact:

Policy team

Jersey Financial Services Commission
PO Box 267
14-18 Castle Street
St Helier
Jersey
JE4 8TP
Telephone: +44 (0) 1534 822000
Email: policy@jerseyfsc.org

Alternatively, Tim Hart at Jersey Finance Limited (**JFL**) is coordinating an Industry response that will incorporate any matters raised by local businesses. Comments should be submitted to JFL by **Thursday 12 February 2026**.

The JFL contact is:

Tim Hart
Consultant
Jersey Finance Limited
4th Floor, Sir Walter Raleigh House
48-50 Esplanade
St Helier
Jersey
JE2 3QB

Telephone: +44 (0) 1534 836 010
Email: timothy.hart@jerseyfinance.com

All responses will be considered non-confidential (unless specifically requested otherwise by the respondent).

It is the policy of JFL (unless otherwise requested or agreed) to collate all responses and share them verbatim with the JFSC on an anonymised basis (with reference made only to the type of respondent, e.g. individual, law firm, trust company etc.). This collated, anonymised response will, typically, be placed in JFL's permanent electronic archive which is currently open to all JFL members.

Contents

1	Executive summary	4
1.1	Overview.....	4
1.2	What is proposed and why?.....	4
1.3	Who would be affected?.....	4
1.4	What is the proposed timeframe?.....	5
2	Consultation.....	5
2.1	The JFSC.....	5
2.2	Basis for consultation	5
2.3	Responding to the consultation	5
2.4	Next steps.....	5
3	Draft documents	6
4	Questions.....	6
4.1	Section 4	6
4.2	Section 7	6
4.3	Additional guidance.....	6
4.4	Timeframes.....	6
	Glossary	7

1 Executive summary

1.1 Overview

- 1.1.1 In June 2025, we issued a consultation on enhancements to the Handbook for the detection and prevention of money laundering, the countering of terrorist financing and the countering of proliferation financing (**Handbook**), in response to the MONEYVAL recommended actions and to improve usability and ease of application.
- 1.1.2 Extensive industry feedback was received on how guidance and codes for complex structures should be addressed in the Handbook. Following workshops and consultation, we have rewritten the complex structures codes and guidance. This consultation paper (**CP**) seeks feedback from industry on the complex structure enhancements.

1.2 What is proposed and why?

- 1.2.1 We are proposing to split the complex structures guidance into two parts:
- 1.2.2 **Standard customer due diligence (CDD) (Section 4):** guidance on identifying complex structures and applying mitigating measures where the structure is not assessed as high risk.
- 1.2.3 **Enhanced CDD (Section 7):** a code and guidance for situations where, after applying standard measures, the structure remains opaque or lacks legitimate rationale and is assessed as high risk.
- 1.2.4 This revision follows feedback from 18 respondents, who broadly welcomed the guidance and examples but raised concerns that complex structures are common and do not inherently present a higher risk. Many firms reported that they already apply additional measures - often equivalent to enhanced due diligence - as part of their standard due diligence approach.
- 1.2.5 Treating all complex structures as high risk was perceived to lead to disproportionate consequences, such as mandatory enhanced monitoring and senior management oversight. To further inform our approach, we held a workshop with representatives from the funds sector, where many of the most complex structures are found. One respondent noted that a formulaic approach could result in 80% of their structures being captured unnecessarily.
- 1.2.6 We have therefore revised our approach to better reflect a risk-based and proportionate framework, while still addressing the MONEYVAL Recommended Actions. This follow-on consultation seeks industry input on the revised split between standard and enhanced measures, and the practical application of the updated guidance.

1.3 Who would be affected?

- 1.3.1 The proposals in this consultation have the potential to affect all supervised persons including;
 - › financial institutions (**FI**s)
 - › designated non-financial businesses and professions (**DNFBPs**)
 - › virtual asset services providers (**VASPs**)
 - › prescribed non-profit organisations (**Prescribed NPOs**)
 - › service providers to those listed

1.4 What is the proposed timeframe?

1.4.1 We propose that the feedback period for this follow-on consultation on complex structures will be shorter, with responses requested by 12 February 2026. The aim is that this feedback can be incorporated in the next version of the AML/CFT/CPF Handbook when it becomes effective on the 31 May 2026.

2 Consultation

2.1 The JFSC

2.1.1 We are a statutory body corporate established under the Financial Services Commission (Jersey) Law 1998 (**Commission Law**), responsible for supervising and developing financial services provided in or from within Jersey.

2.2 Basis for consultation

2.2.1 We have issued this consultation paper in accordance with Article 8(3) of the Commission Law, as amended, under which the JFSC “may, in connection with the carrying out of its functions...consult and seek the advice of such persons or bodies whether inside or outside Jersey as it considers appropriate”.

2.3 Responding to the consultation

2.3.1 We welcome industry views on the proposed changes to the Handbook. We are committed to collaborating with industry to develop the Handbook in a way that meets international standards in a risk-based, proportionate and pragmatic way appropriate to the financial services industry operating in Jersey.

2.3.2 We welcome any wider feedback or comments on improvements that could be made to the Handbook beyond the subject matter directly addressed within this consultation. This will assist us in prioritising future reforms.

2.3.3 We invite comments in writing from all interested parties on the proposals included in this consultation. Where comments are made by an industry body or association, that body or association should also provide a summary of the type of individuals and/or institutions that it represents.

2.3.4 [Submit your feedback through Smart Survey](#).

2.3.5 Respondents are requested to use this Smart Survey when providing feedback, directly or via JFL. For the avoidance of doubt, all responses received, in whatever fashion, will be considered, with the response form intended only to ease our processing.

2.3.6 Comments should be submitted by **11:59pm on Thursday 12 February 2026**.

2.4 Next steps

2.4.1 Following this consultation, we will publish feedback and the revised sections of the Handbook by **26 March 2026**.

2.4.2 It is proposed, subject to feedback and views received in response to this consultation, that the revised Handbook will take effect from **31 May 2026**.

3 Draft documents

See section 4.8 on Complex Structures SDD and section 7.8 on Complex Structures EDD in the following draft documents:

Description	Links
AML/CFT/CPF Handbook	Handbook (tracked changes) Handbook (clean version)

4 Questions

4.1 Section 4

Question 1

Do you consider that the revised guidance in Section 4 appropriately reflects a risk-based and proportionate approach to identifying and assessing complex structures, in line with industry practice and statutory obligations?

Please provide any examples of structures or scenarios that may still present challenges under this revised approach.

4.2 Section 7

Question 2

Section 7 has been revised to clarify that enhanced due diligence measures should only apply where the complexity of a structure contributes to a customer being assessed as high-risk.

Do you agree that the revised guidance strikes the right balance between addressing MONEYVAL expectations and maintaining proportionality for Jersey's financial services industry?

Are there any additional enhanced measures you believe should be included or clarified?

4.3 Additional guidance

Question 3

What additional detailed guidance would be helpful to support you in identifying and applying enhanced due diligence consistently to complex structures?

4.4 Timeframes

Question 4

Do you think the timeframes, with publication of revisions to Section 4 and 7 regarding complex structures which will be consolidated in the handbook by 26 March 2026, with it becoming effective on 31 May 2026 gives industry sufficient time to comply?

Glossary

Defined terms are indicated throughout this document as follows:

AML	anti-money laundering
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/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 services business(es)	has the meaning in Article 36 of the Proceeds of Crime Law
financing of proliferation or proliferation financing	<p>For the purposes of this consultation, this term means:</p> <p>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</p>
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 › 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
MONEYVAL	the committee of experts on the evaluation of anti-money laundering measures and the financing of terrorism
NPO	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.
NPO Law	Non-Profit Organizations (Jersey) Law 2008
PEPs	Politically exposed persons
prescribed NPO	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.
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

supervised person	Has the meaning given in Article 1 of the Proceeds of Crime (Supervisory Bodies) (Jersey) Law 2008. Also referred to as RE's, namely reporting entities in the Recommended Actions.
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>