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UK Parliamentary review finds Jersey's beneficial ownership information sharing effective

Jersey's ability to share company beneficial ownership information with the UK's law enforcement agencies is effective, a review presented to the UK Parliament has found.

In 2016, Jersey along with Guernsey, the Isle of Man and six British Overseas Territories, signed a bilateral agreement with the UK which committed Jersey to providing UK law enforcement agencies with information about the beneficial owners of companies incorporated in the Island. This arrangement, which is known as the Exchange of Notes (EoN), came into force on 1 July 2017.

A periodic statutory review to assess the effectiveness of the EoN has now been completed and presented to Parliament. The report found that overall the EoN is functioning well and, "has been extremely useful in accessing the information needed to support ongoing investigations". Jersey, which has maintained a beneficial ownership register since 1989, was noted to apply "stringent" ownership thresholds for entities it considered high risk. The report also noted that Jersey is an example of best practice as processes are in place which prevent any new entity being created if it is not entered onto the beneficial ownership register, and which continually verify and assure the accuracy of information on the register.

The report found that during the first 18 months of operation 26 requests for information on the Jersey register were made. Responses were provided for all requests made and almost all within the agreed timeframe.

Most of the requests related to long-running investigations meaning that it is too early to quantify how many requests under the EoN have been used in successful investigations. However, early indications are positive. Furthermore, the review did not identify any instances in which a search or any details about a search became public knowledge.

External Relations Minister Senator Ian Gorst said: "This review highlights that Jersey is committed to sharing beneficial ownership information with law enforcement agencies. As a leading international finance centre we take our responsibilities seriously to ensure we are global leaders in transparency, tackling money laundering and countering the financing of terrorism."