FIU ANNUAL REPORT 2023



Our Mission

Deliver our long-term vision by building a sound **independent** base & **collaborating** with **local and international partners** to provide highly useful & **comprehensive intelligence** insight, understanding and opportunities to tackle **financial crime threats**.

fiU Annual Report 2023



Contents

SECTIONS:

	Abbreviations	6
	2023 Key Statistics	8
01	Director's View	10
02	Intelligence 101 view	14
03	MONEYVAL	18
	Top 5 Strategic Priorities	21
04	Engagement	22
05	Partnerships & Collaboration	26
	Partner Connections	32
06	Training	34
07	FIU Analysis	36
08	FIU in Transition	41
	FIU Development Timeline	44
09	FIU Structure & Teams	46

Abbreviations

AML - Anti Money Laundering.

CR - Continuation Report - this type of report is used when submitting additional information following a SAR submission to the FIU.

CDD - Client Due Diligence.

CFT - Countering the Finance of Terrorism.

Cifas - Credit Industry Fraud Avoidance System.

DPA - Data Processing Agreement.

EC - Egmont Committee.

ECCU - Economic Crime and Confiscations Unit.

EFIPPP - Europol Financial Intelligence Public Private Partnership.

EUROPOL - European Police Agency.

FATF - Financial Action Task Force.

FCA - Financial Conduct Authority.

FSRB - FATF Style Regional Bodies.

FSB - Fund Service Business.

GoJ - Government of Jersey.

Grading - Process by which SARs and MIRs undergo initial review and feedback is provided to Industry.

HMRC - His Majesty's Revenue & Customs.

HoFIU - Head of Financial Intelligence Unit.

IACCC - International Anti Corruption Coordination Centre.

IEWG - Information Exchange Working Group.

IFC - International Finance Centre.

Industry - Jersey's financial services industry which includes regulated financial, legal and other sectors.

JFCU - Joint Financial Crime Unit. The FIU used to sit under this unit when it was part of the SoJP. However, it is now an independent agency.

JFCU Ops - Joint Financial Crime Unit - Operations Team who undertake investigations.

JFIN - Jersey Financial Intelligence Network - a Public Private Partnership created to share information to assist in the fight against financial crime.

JFSC - Jersey Financial Services Commission - Jersey's regulator and company registry.

JMLIT+ - Joint Money Laundering Intelligence Task Force+.

LOD - Law Officers' Department.

MSCWG - Membership, Support, Compliance Working Group

MIR - Miscellaneous Information Report - a report which can be submitted, via the PolSAR Portal to the FIU to share information when the submitter does not believe it constitutes suspicious activity.

ML - Money Laundering.

MOU - Memorandum Of Understanding.

NRA - National Risk Assessment.

PEP - Politically Exposed Person.

PF - Proliferation Financing.

POC - Proceeds of Crime.

POC Notice - A Proceeds of Crime Notice. Usually sent to industry to inform them that they maybe in possession of proceeds of crime.

PolSAR - The Police Suspicious Activity Reporting Portal, the online reporting tool which regulated entities use to submit a SAR and other types of information to the FIU.

Portal - FIU PolSAR online reporting portal as per above.

PPWG - Policy and Procedures Working Group.

PPP - Public Private Partnership.

QUAD - The Quad Island Group of FIUs incorporating Jersey, Gibraltar, Guernsey and Isle Of Man.

RFA - Request for Assistance - used when one FIU seeks assistance from another FIU or law enforcement body for additional information.

SA Team - Strategic Analysis team.

SAR - Suspicious Activity Report - the principle way in which the regulated financial services industry informs the FIU when they have a suspicion related to financial crime or unusual client behavior.

SCP - Support and Compliance Process.

SFO - Serious Fraud Office.

SoJP - States of Jersey Police.

SPOCs - Specialist Point of Contact.

TATWG - Technical Assistance and Training Working Group.

TCSP - Trust Company Service Provider.

TF - Terrorist Financing.

Typology - A type of case study. In the case of the FIU, these usually relate to financial crime activity and showcase the various different types of scenarios.

WG - Working Group.

UAE - United Arab Emirates.

UK - United Kingdom.

USA - United States of America.

2023 Key Statistics

Highlights at a glance

1.7 Days
On average to grade a SAR.

1,547
Suspicious Activity Reports
(SARs) received in 2023.

400%
Increase
in the growth of Social Media Followers on LinkedIn in 2023.

PEPs

145 SARs
Contained at least one PEP. Contributed to 9.37% of all SARs submitted in 2023.

New Intelligence

82%
Feedback from jurisdictions who received intelligence from FIUJ stated it provided them with new valuable information.

New Leads

40%
Feedback from jurisdictions who received intelligence from FIUJ stated it provided them with new leads or lines of inquiry.

Timeliness

60%
Jurisdictions who received intelligence from FIUJ stated it was received in time to be useful.

1.8 Days
on average to grade either a CR or MIR.

1,423 Submitted from other sources
+ 820 Submitted via PoISAR Portal
Miscellaneous Information Reports
(MIRs) received in 2023.

More than 3 Qtrs
(78%) of jurisdictions who received intelligence from FIUJ stated they were pleased with it.

1,790
Consent Requests
received, reviewed and replied to 2023.

2,308
Continuation Reports (CRs)
received in 2023.

25%
Increase in FIU Team

5
Training Sessions
Introduction to the FIU and what we do and our systems.

8
Industry Events
Performed either with our partners from other competent authorities or as invited speakers.

4
Quarterly SAR Reports Published

SECTION:

01

Director's View

A new Director a new direction – 2023 A Year in Review



Jonathan Groom MBA MCGI
FIU Director

I arrived in the early part of Q1 2023 with the remit to transform the FIU into one suitable for and focused on the threats aligned to an IFC. This change opportunity was one of the core aspects that appealed. My previous experience of FIUs had been as a professional Intelligencer and within both public and private sectors, so I had plenty of knowledge on what worked and what didn't from a user perspective.

The opportunity to deliver relevant change in a leading IFC to ensure greater effectiveness and improved intelligence insight and tackle the criminals and threat actors and ensure a safer economic environment – was clear and both necessary and central to an FIU. My experience of FIUs had left me with a belief that the varying models and different approaches provided consistency challenges and

> "A year that closed one FIU story and opened the next."

there was potentially more a national FIU could and in other jurisdictions, did deliver, whilst aligning to the requirements of international standard setters. This intelligence delivery is a difficult conundrum – the need to align to international standards on effectiveness, alongside the significant variation and interpretation of what "intelligence" actually meant for an FIU and its customers.

Previously, Jersey functioned as a "law enforcement" model FIU which meant the FIU operated as a sub-unit of the Joint Financial Crime Unit (JFCU); that comprised of a police investigations team, customs officers and the FIU and was ultimately, part of the States of Jersey Police (SoJP) and its organisational command arrangements. Its primary product outputs were to law enforcement investigative agencies. In 2021 the culmination of numerous independent and jurisdictional reviews and enhancements, a detailed re-assessment of the organisational structure, oversight mechanisms, and legal framework governing the operation of the FIU recommended significant change.

During 2023, after undertaking wide scale recruitment in the previous 12 months, many of the recommendations and suggestions could start to be refined and implemented. The FIU transitioned from its former model to an "administrative" one, where the FIU operates as an independent competent authority, responsible for its own independent decision making and removed from any chain of command in the Police or management of its FIU powers by the Attorney General. A key element of this transition is the Proceeds of Crime (Financial Intelligence) (Amendment) (Jersey) Regulations 2022 which came into force on 25 July 2023 and legislatively establishes the FIU as an independent body. The Director has equal standing to those in charge of other law enforcement agencies such as the Chief of Police and Head of Customs and Immigration Services.

As part of this evolving change programme the profile of FIU staff has significantly adjusted. The recruitment of new civilian specialists was underway, and the industry insight they offer is clear. The importance of obtaining relevant industry expertise cannot be underestimated. As a career intelligencer, I understand that intelligence methodologies and threat understanding are elements of any intelligence agency that can be taught. What is harder to understand are the nuances of customers, sectors, products and country perception. These are where illicit finance occurs and we cannot seek to understand the threat if we don't have practical expertise in how these sectors and products may be abused.

Legislation currently necessitates that a SoJP Police officer be part of the FIU, and I am grateful to the Chief of Police for ensuring this works operationally and doesn't impact on the necessary independence of the FIU. It is an excellent example of collaboration that the other competent authorities and jurisdiction collectively deliver.

The strategic oversight of the FIU is now provided by the FIU Governance Board rather than by a single agency. This has operated in "shadow form" throughout Q1 and Q2 of 2023 until the new FIU legislation was enacted. The FIU Governance Board is now formally established and supports the Director in delivering the FIU capability.

The first half of 2023 allowed me, to embark on my initial fact find and 90-day plan. Learning the operating environment, the history, ongoing plans and "ground truth" alongside understanding the FIU operational processes, outputs and capability levels.

Of course, this was undertaken in a fast moving and complex environment that was dominated by the MONEYVAL evaluation. As the Director, my time was filled with reading, understanding and challenging our position and developing numerous submissions for MONEYVAL.

The technical and effectiveness requirements alongside the breadth of supporting documents, needing review or requiring drafting was a baptism of fire. What it did ensure, and what the jurisdiction was excellent at, was a coordinated all informed approach across the competent authorities. The ground that was covered was immense and the mutual understanding and benefit the authorities gained from this insight was highly beneficial. Whilst significantly adding to the already full workload, the granular and technical understanding and collegiate meetings has ensured a rounded understanding of Jersey's authorities and their personalities, processes and own development stories. This is all critical to set ourselves up for success in the coming years.

The culmination and publication of numerous National Risk Assessments (NRAs) and the overall strategy of the Government of Jersey on financial crime matters place the FIU as central to those requirements and the importance of the NRAs is critical to fully understand our risks and threats.

Indeed, throughout the process, many on the island were surprised at how integral the FIU was in the whole evaluation process – essential to almost every element, the connection between public and private sectors and the driver of action. The importance of an FIU to a jurisdiction, in terms of measuring "effectiveness", in a world where "intelligence led" is a necessity, cannot be understated. Especially with how critical financial crime and illicit finance is as a threat to an IFC and our economic well-being.

To support FIU development, two all-encompassing projects are in train – Project Liberty, reviewing our legislative position as an independent agency that has the required powers, linked into moving our location and employing new and better technology to enable us as an intelligence capability. This is our main deliverable for 2024 and into 2025. Alongside this we are focused on our people under Project Harmony. This is reviewing our structure, skills, knowledge, training and people. This will grow with further project focuses looking at engagement, training, operational risk and operational process/deliverables.

Whilst an FIU model needs to align to the needs and peculiarities of its own jurisdiction, it is clear, that globally, the administrative model is the direction of travel for many FIUs. This is key for us to better understand the international and foreign predicate nature of our threats and sits more easily in the IFC focus rather than being part of a Law Enforcement Agency with a naturally domestic priority.

So, 2023 sets the FIU up to support the IFC, with its global customer base and wide ranging international and cross jurisdictional connections. The move to establishing ourselves as an independent agency, that can determine its own priorities aligned to financial crime is an exciting prospect. Add in our opportunity to influence, for the benefit of Jersey at an international level, whilst actively engaging with our financial services sector and domestic competent authority partners, offers a wide-ranging and focused opportunity to deliver improved effectiveness for both the IFC and its partners. We are extremely pleased with our current progress and how 2023 allowed us to learn, reshape and present to others and set up firm foundations for the FIU to continue its build and seek to tackle financial crime and its impact on people both in Jersey and internationally.



"I am acutely conscious that the FIU is and should be about intelligence insight, and playing our part in protecting people and businesses from finance crime."

SECTION:

02

Intelligence

101 view

All professional Intelligencers will highlight the frustrations they often face with how others misunderstand and interpret what "intelligence" is and what it does or should deliver. Throughout my career, I have experienced many interpretations of what "intelligence" is, predominantly driven by the lead business or agency that needs some form of insight and how they may want to use that. Much of this information is exactly that, information and singular elements of data or knowledge. Intelligence is, by its very nature, processed information – evaluated, corroborated and assessed – that is where the value of intelligence is, otherwise, it's just an opinion or some data, or someone else's uncorroborated belief. The role of an FIU is to undertake operational and strategic analysis to develop information into intelligence and this is the critical and often missed function. The purpose is to access the widest range of sources to identify, assess, analyse and provide a judgment on a suspected suspicion so that the intelligence report can then be used to drive decisions, actions or mitigation and ultimately tackle financial crime.

Intelligence v investigation

To an FIU, Intelligence is and must be processed information, there to provide informed and assessed insight and seek to influence some action from one of its customers.

For the intelligence audience, the critical questions align to what is the reliability and certainty of what are we receiving, how does it influence our decision making and how can it be used to commence a separate collection process.

Methodology

The FIU works on a Strategic– Operational – Tactical hierarchy this follows the Egmont Group and ECOFEL direction on defining delivery levels. The FIU views the levels as: Strategic (Entirety), Operational (Multiple) and Tactical (Single).

The core differences are:

Strategic intelligence aims to identify a broad and wide view that supports national policy and relates directly to the outcome of the domestic and international fight against financial crime. It is separated out from the actual individual case work and at times, seeks to become sector agnostic. It considers the threat landscape and activities that allows for clearer policies, planning and direction aligned to resource allocation and threat identification/ prioritisation.

It has the significant ability to impact criminals and threat actors by understanding their methods and identifying how those vulnerabilities may be overcome, thereby mitigating the threat before it is realised.

Operational looks to support the strategic objectives by assessing the larger, interconnected and more complex interlinked threats. As such, it needs to engage with greater intricacy and case development, with these cases potentially being connected and employing a wider time-frame and determination of potential activities that are required to be completed within that framework. It also needs to relate complex typology into understanding to ensure mitigations can be implemented and inform investigative agencies of the complex connections to better inform their work.

Tactical is often short term in nature and has a single case focus. This drives an approach that supports specific objectives that need to be achieved within a specific time-frame to reach a decision point and can be used in a more dynamic manner to enable action.

The operational and tactical elements drive the investigative start points, and can support that process to enable clearer investigations to ultimately seek to convict and to penalise the threat actors.

Defining Intelligence Analysis

Both Operational and Strategic intelligence are of equal relevance to an intelligence agency. Whilst one helps to inform cases and opportunities to engage in investigations or asset recovery, the other seeks to provide understanding and insight on wide ranging topics that can influence and change controls, mitigations, appetite and overall direction of travel.

FIU Strategic Analysis

The FIU aligns to the FATF and Egmont Group approach to Strategic Intelligence analysis in that it seeks to:

Egmont Group: Identify patterns and trends of money laundering/terrorist financing, provide policy input and assist with operational priorities.

FATF: Strategic analysis seeks to support in the determination of threats and vulnerabilities, establish policies and goals for the FIU or other entities across the AML/CTF regime.

> “Develop highly useful intelligence insight to identify threats, typologies, trends, patterns and vulnerabilities. To further provide insight to improve and develop reporting, policies, procedures and priorities for all stakeholders across Jersey and internationally.”

The FATF’s Interpretative Note to Recommendation 29 emphasizes the strategic analysis main objectives and goals:

“FIU analysis should add value to the information received and held by the FIU.”

FATF also indicates a set of goals, namely:

“… to identify money laundering and terrorist financing related trends and patterns … [used by the FIU or other state entities in order] to determine money laundering and terrorist financing related threats and vulnerabilities … also help establish policies and goals for the FIU, or more broadly for other entities within the AML/CFT regime.”

The Strategic Intelligence team exploits data and information, from the widest range of sources and uses core analytic techniques and technology to provide this insight and enhanced understanding of behaviors and actions.

Throughout 2023, strategic intelligence has been primarily focused on MONEYVAL support and statistical analysis with an evolving plan to correctly employ and utilise the team. The evolving Strategic Intelligence product suite will aim to produce highly useful and informative strategic intelligence.

The output will seek to provide analytical perspectives on the nature, scope and threats posed by money laundering and terrorism financing to a variety of stakeholders. The analysis, conducted using the data/information at the FIU’s disposal, generates results that provide insights and an enhanced understanding of the various activities, behaviors, and environments of interest.

The FIU and GoJ engaged an external provider in 2023 to draft a Typologies report that was delivered in Feb 2023. Throughout 2023 we commenced the inclusion of typology insight in our Quarterly reports and the FIU will continue to both grow this approach and ensure strategic typology understanding, relevant to industry and other stakeholders is developed and includes the “So What” to Jersey and an IFC.

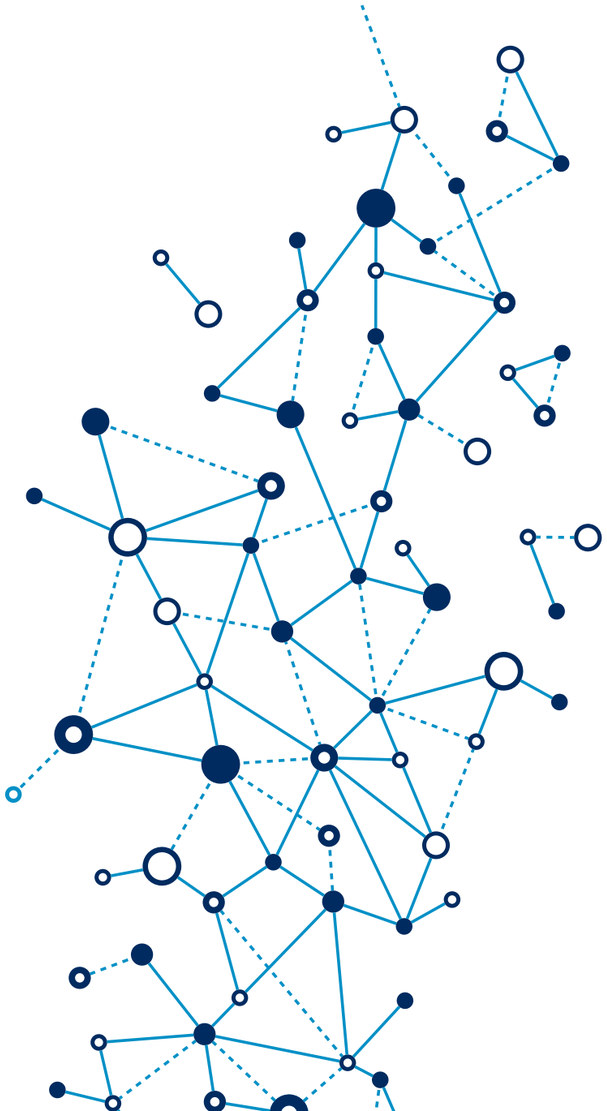
FIU Operational Analysis

Aligning to the obligations of a national FIU, operational analysis is an essential requirement of its intelligence function. This combines both tactical and operational requirements and enables the FIU to conduct operational analysis to assist relevant competent authorities to prevent, detect and prosecute financial crime on individual or collections of cases.

Key Challenges and Successes

2023 also saw development on our SAR template to improve the quality of received data that can be further used by the FIU. The regulated sector will be fully cognisant of the numerous revisions of the SAR template and the collection opportunities. This is an ongoing process and as we review our technology requirements, obliged entities should expect further adjustments. Our aim will always be to engage relevant stakeholders in this process as we are aware that it has numerous impacts across the regulated sector. Our primary aim for making changes is to make us more effective and the reporting that we receive to be more usable in line with international standards.

Provision of Feedback has been another development this year and has demonstrated and evidenced a positive approach and quality of reporting. Of course, there are always anomalies and the FIU commits to working with the industry to address these as well as to hear your concerns and impacts.



SECTION:

03

MONEYVAL

Assessment of Jersey

MONEYVAL is the Committee of Experts which evaluates Anti Money Laundering (AML) and Counter the Financing of Terrorism (CFT) measures within Europe. It does so by first assessing compliance with the international standards (including the Financial Action Task Force (FATF) Recommendations) and then reviewing the effectiveness of their implementation.

Since 1 January 2011 MONEYVAL has been an independent body, reporting directly to the Council of Europe Committee of Ministers. Other agencies, known as FATF Style Regional Bodies (FSRBs), perform the same role in other areas of the world, but as far as Europe is concerned MONEYVAL is the assessing agency.

MONEYVAL undertakes a number of tasks, but the most relevant to Jersey at this time is the assessment of its members' compliance with all relevant international standards in the legal, financial and law enforcement sectors. This is done through a peer review process of mutual evaluations, which involves questionnaires and a visit to conduct interviews with relevant stakeholders in September 2023. Following this process the Island's performance is assessed.

MONEYVAL's representatives need to have particular knowledge and experience of their domestic AML and CFT regimes and should have expertise in the following areas:

- regulation and supervision of financial institutions
- law enforcement and financial intelligence units
- representatives of ministries of justice and/or judicial and prosecutorial

The resulting reports provide highly detailed recommendations on ways to improve the effectiveness of domestic regimes to combat money laundering and terrorist financing and members capacities to co-operate internationally in these areas. If a jurisdiction has failed to meet the required standards it can be Grey-listed, or in the most serious cases blacklisted, although only 2 countries are presently so defined.

Involvement of the FIU

Jersey's last evaluation, in 2015, was broadly only on technical compliance. This time round the focus is both on technical compliance and effectiveness, so we move beyond the rules and expectations to see if they are delivered appropriately and ensure an effective regime. The move from rules to implementation suddenly changes the focus of an evaluation to those agencies that are the connection points. The FIU is often referred to by international standard setters as the primary cross agency capability that acts as the pivot point between the public and private sectors. The FIU led or was heavily committed in supporting the significant work undertaken in the numerous National Risk Assessments (NRAs), Working Groups, collation and submission of specialist material and co-ordination and explanation of case studies.

Lessons Learnt & Key Takeaways

The on-site assessment was held in Q3 2023, and immediately after the on-site visit, the FIU undertook a comprehensive lesson identified exercise. The aim was to capture what worked well and what didn't, our strengths,



weaknesses, opportunities and threats throughout the process and identify how we could improve.

Top of our list was to continue with our transformation programme, alongside which was to grow the FIUs involvement in and understanding of MONEYVAL and FATF. This requires the training of at least two individuals from the FIU to be assessors and conduct a country evaluation during the next round of evaluations.

Learning from others and using our strong collaborative nature, both domestically and internationally, can support preparation. That preparation and planning for both the leadership team who represented the FIU and the wider FIU team was critical. Everyone across the FIU was expected to step up and take further responsibility, during a period where they were new to role and processes were adjusting. It demonstrates the calibre of the team that they managed this every day and our regular check ins and check backs found only small discrepancies for the leadership team to address.

Finding time to analyse and assess other jurisdictions and how they are driving the effectiveness of their regime and their FIUs is also critical. Horizontal reviews and learning what works and doesn't is a necessity that is sometimes overlooked.

Familiarity and alignment of our internal processes, data capture points to FATF/ MONEYVAL requirements is underway. Our transformation programme is already capturing that detail but it should not be to the exclusion of other opportunities to demonstrate effectiveness.

Overall, the FIU captured multi points for the team to consider and address as part of our transformation planning.



Top 5 Strategic Priorities

The FIUs 2023 focus was about change and MONEYVAL. We moved into 2024 with a clear annual and 5 year plan, initially to focus on firm foundations and delivering against Project Liberty our transformation programme.

1

Build a Firm Foundation

- Drafting revised FIU legislation
- New technology & sources
- Relocation to new premises
- FIU Governance

2

Our People

- SPOCs & career trajectories
- Recruitment & career development
- Preparation for 2025 - Support & Training

3

Operational decision making

- Consent
- Intelligence understanding
- Data access
- Improve quality of reporting & insight

4

Strategic vision & threat understanding

- Use of data
- Use of statistics and metrics
- Stakeholder engagement

5

Partnerships + Insight

- Growth of the JFIN PPP
- Active participation of partnerships
- IFC Context in Financial Crime
- Support and mentoring

SECTION:

04

Engagement

Communications, Feedback & Brand



Tommy Fernandes FCIM BA Hons
Head of Engagement & Industry

In April 2023, in line with the strategic transformation plans for the FIU and to help the FIU Director deliver the engagement and communications strategy, a Communications Lead was appointed and the following primary objectives were agreed:

- Development of a new FIU brand to help position the agency locally and internationally.
- Planning commenced for the FIU to host its industry event, which would relaunch the FIU with local and international stakeholders and assist with its positioning as an independent national intelligence agency.
- Grow and improve the FIU's communications and engagement capabilities with all stakeholders, through, but not limited to:
- Improved quarterly and annual reporting;
- Establishment of new communication platforms and channels to better drive engagement and communication of essential content.
- Deliver an annual FIU main event, further mini-events, round-tables, and collaboration with industry and competent partners in joint events and campaigns.

Development of the FIU Brand

One of the first major tasks I was tasked with delivering was a new brand for the FIU. Previously, the unit had been called the Jersey Financial Intelligence Unit, or JFIU, and was part of the SoJP's Joint Financial Crime Unit (JFCU). In addition, the JFIU didn't have a logo or recognisable brand and relied on using the SoJP Crest as its logo.

Therefore, the brief was simple but came with its own set of challenges. A new FIU brand needed to be created that would help position the FIU locally alongside its other competent partners to industry. The brand also needed to be strong enough to be recognisable to international stakeholders.

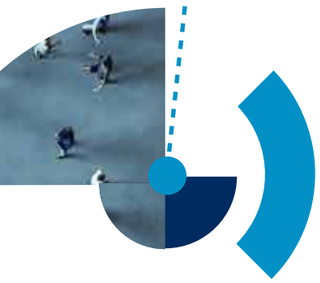
Furthermore, the added complication of the initials 'JFIU' had already been used by the Hong Kong - Joint Financial Investigation Unit. However, this in itself turned out to be a positive as it solved these issues:

1. There were already too many 'J' entities in Jersey, and most of the time, locally, everyone referred to the unit as just the FIU. So, this became a key driver in removing the J from the beginning of the naming designs.
2. Not using the letter 'J' at the start of the naming would resolve the issue of having a second JFIU.
3. At the same time as the brief was given to design the FIU brand, the FIU director requested a second brand for the Jersey Financial Intelligence Network (JFIN). There was a clear desire to have some separation between the two brands to help distinguish them for stakeholders..

Brand design

The FIU brand was designed in-house and within a constrained time-frame, with only a small group of people involved in the consultation before it was approved and implemented.

Opposite are some of the evolutionary designs for the FIU brand logo.











Blue - Operational Matters



Gold - Leadership & Influence



Green - Recruitment & Careers



Magenta - Training

New Communication Channels

Social media as a tool

When I joined the FIU at the end of April 2023, it had a single social media account consisting of a single LinkedIn company page, which it used for sporadic posting to the industry and its followers, of which it had 790 in total.

As part of a new communications and engagement strategy, the LinkedIn page was cleaned up, and four additional new profiles were also created on the following platforms:

- Facebook
- Instagram
- Twitter (X)
- Threads

These new platforms assisted with reaching and targeting a broader audience that may not be on LinkedIn and different demographics, such as younger stakeholders who may have yet to hear of the FIU and where important messaging now or in the future may be undertaken.

By the end of 2023, with regular postings, information sharing, and targeted campaigns, our LinkedIn followers had grown by approximately 400% to over 3200. As LinkedIn is our primary social media network, this was deemed a great success, mainly because, currently, the FIU does not have its own dedicated website for communications. We, therefore, relied on LinkedIn and other social media channels for information and news sharing with the industry and our followers.

The other social media channels have continued to grow in followers and engagement; however, as LinkedIn is primarily a business platform, it is expected to continue to be the primary engagement platform for the FIU.

Advertising Accounts

In addition to the new social media profiles created, new advertising accounts were established for Meta (Facebook, Instagram, WhatsApp, and Treads), Twitter (X), and LinkedIn. These advertising accounts allowed the FIU to run targeted ads for campaigns (such as the joint collaborative campaign with the JFSC targeting NPOs), recruitment, and other specific key message ads.

New Portals and Online Accounts

Aside from a LinkedIn profile account in April 2023, the FIU had no other online portals or accounts. It was, therefore, imperative that if the FIU were looking to establish itself with an online presence, it would need to create new accounts to manage things like its future website, Google website, Ads, analyses and more.

To manage Google-linked services, a new Google profile and various accounts and configurations were created. These include a YouTube profile and channel for uploading video content from our latest events and engagements.

In addition to these, new facilities were set up with third-party providers for email marketing, surveys, event management and ticket sales, web development, and audience engagement.

Internal Comms and Technology

SharePoint - A new FIU intranet

At present, the FIU operates under the SoJP Microsoft 365 tenant. While it may be convenient, it is also limiting due to the controls in place, so we cannot design and configure specific platforms based on the FIU's requirements. As part of Project Liberty, the FIU will establish its tenant and ultimately control its system and setup, allowing for greater comms and engagement system configuration.

However, one element that has not been affected is the establishment of various FIU SharePoint sites, which were designed and rolled out to the team to aid in efficiency and migration from the SoJP tenant.

At present, the FIU has four main SharePoint sites that are growing in scale and content. These have been created to aid in a more collaborative way of working and to share and access content in different ways and between individuals and teams.

Town-halls and Staff Updates

Any organisation or agency is only as good as its team. To have a high-performing team, you need to have a well-informed team. It was agreed that internal staff communications were paramount to ensure everyone was updated on various matters.

The FIU Director hosted weekly staff updates for the team from early 2023 until Q3, when it was decided to move them to a Town hall-style update that would occur less frequently but still serve to update everyone on the FIU trajectory.

However, as was evident in 2023 during MONEYVAL and changes occurring with the FIU, Town Hall updates were scheduled as required and invariably led to more of them. This means that FIU teams have a good understanding of projects currently underway, advertising, recruitment, and operational requirements/decision-making to ensure they have an active forum to discuss matters and engage appropriately.

Feedback Portals

Part of the FIU engagement strategy is measuring its effectiveness and what it could do better. Only through feedback will we be able to adapt and enhance our intelligence sharing and the quality of our information.

Previous feedback collation has involved asking stakeholders to complete paper or Word forms. Feedback is often hard to obtain from the end user, so our ethos is that the more straightforward it is, the more likely it will be given.

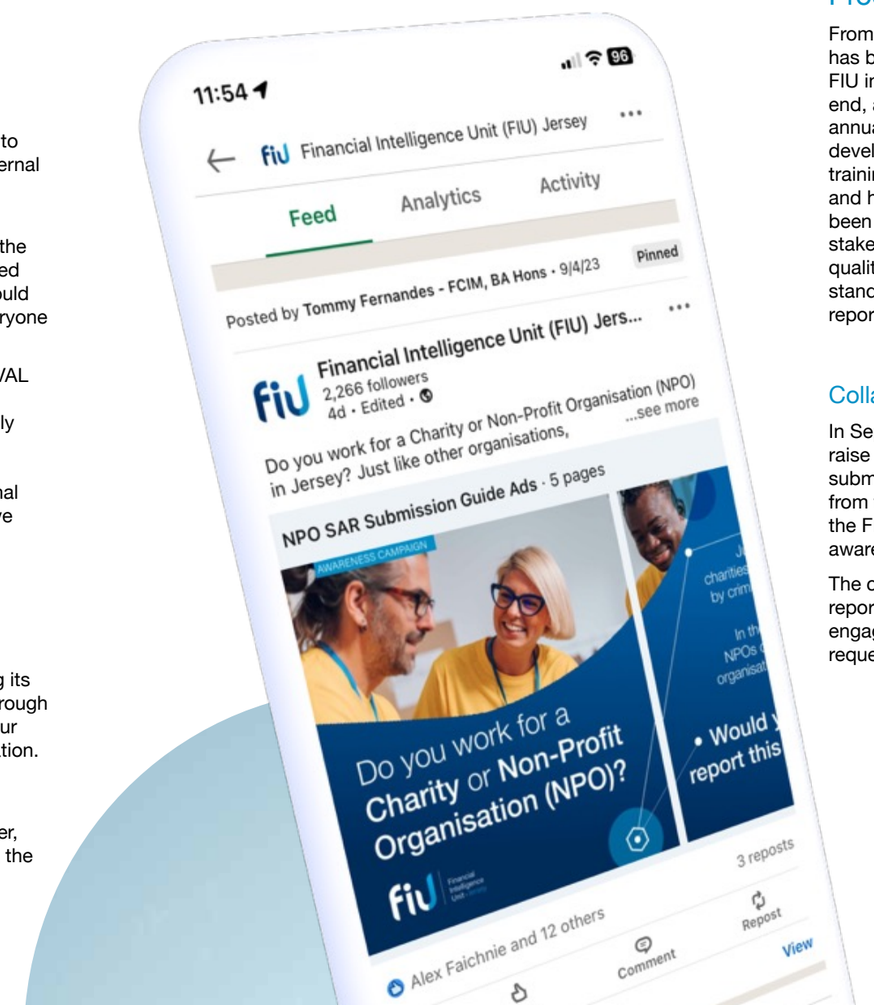
Working in partnership across the team, a consultation on how the FIU should collect and collate feedback that it requests was undertaken.

Whilst still in the early stages of development of moving the FIU to online feedback collection, we have identified all the different types of forms we use and how to standardise 40-60% of the feedback forms to ensure greater accuracy and cross-comparison in the future. It will allow the teams to use data collected in real time and share insight with the development team to make further enhancements.

The first step in the process has been to trial the online form for specific event feedback. The project will now extend this to the feedback forms used to gather intelligence feedback. All this should mean we move to an automated feedback gathering and presentation standard.

Events in 2023

The FIU participated in eight events in 2023, either jointly with another partner or independently. Most of the events focused on preparation for the 2023 MONEYVAL assessment or discussing the transformation the FIU would be undertaking.



Main FIU Relaunch Event

In early Q2 of 2023, the FIU Director laid out the brief to have a relaunch event for the FIU in late Q3/ Q4. However, given the proximity to the MONEYVAL assessment and early setup constraints, it was decided to postpone the main FIU relaunch event until Q1 2024 and focus on making it a main industry annual event..

Industry training

In 2023, the FIU undertook training with specific members of industry. Training usually follows a standard process which includes:

- Introduction to the FIU,
- How to submit a SAR, CR or MIR to the FIU,
- The PolSAR Portal,
- The Consent Regime,
- Depending on the audience, it can include specific slides on fraud etc.

All training is currently conducted at the location of the requesting stakeholder. The FIU is seeking a dedicated training area in the future to continue to deliver better industry training and host more tailored events.

Product Suite - Literature & reporting

From Q2 2023 onwards, one of my main objectives has been to improve the quality of output from the FIU in terms of literature, guides and reports. To this end, a new layout and style for the quarterly and annual reports has been created. In addition, we have developed new separate typology leaflets and new training material and guides for the PolSAR portal and how the Consent Regime works. The aim has been to raise the quality of output and share this with stakeholders as soon as possible to enhance the quality of reporting whilst communicating to a high standard. Internally, we have developed intelligence report templates and other deliverables.

Collaborative working - NPO Campaign

In September 2023, we engaged with the JFSC to raise awareness of the new requirements for NPOs to submit SARs to the FIU. Together with our partners from the JFSC, we produced a supporting leaflet and the FIU ran a targeting social media campaign to raise awareness to NPOs of their new reporting obligations.

The campaign was deemed a success, and a full report, including the activity's metrics, reported engagement, and outcomes, is available upon request.

SECTION:

05

Collaboration & Partnerships

#CombatingFinancialCrimeTogether

We recognise that combating financial crime is a team game and we can't do this alone. For the FIU, partnerships and collaboration are a key focus. 2023 has afforded an opportunity for us to re-evaluate and seek to challenge, question and re-invigorate each of our key partnerships. As a new administrative model FIU what we required, relied on and agreed to previously may no longer be valid or what is needed going forward. The transformation programme isn't just about transforming the FIU but also our operating environment and collaborations.

"This intelligence was provided by the Jersey FIU spontaneously, i.e. not at the request of the IOM FIU. However, it has provided details of sanctions evasion activity of which we were previously unaware."

FEEDBACK - IOM FIU.

Our key relationships include:

EGMONT GROUP
OF FINANCIAL INTELLIGENCE UNITS

The What:

The Egmont Group is a united body of 177 Financial Intelligence Units (FIUs): FIUs are uniquely positioned to support national and international efforts to counter-money laundering and terrorist financing. FIUs are also trusted gateways for sharing financial information domestically and internationally per global AML/CFT standards. The Egmont Group provides FIUs with a platform to securely exchange expertise and financial intelligence to combat ML/TF, and associated predicate offences.

Adding value:

The Egmont Group adds value to member FIUs' work by improving stakeholders' understanding of ML/TF risks and draws upon operational experience to inform policy considerations, including AML/CFT implementation and AML/CFT reforms. The Egmont Group is the operational arm of the international AML/CFT apparatus.

To manage the role of the Egmont group, several subgroups have been established, each with a particular focus.

Financial Intelligence Sharing and International Cooperation:

The Egmont Group recognises financial intelligence sharing is of paramount importance and has become the cornerstone of international efforts to counter ML/TF. FIUs around the world are obliged by international AML/CFT standards to exchange information and engage in international cooperation. As a global financial intelligence forum, the Egmont Group facilitates and prompts this exchange amongst its member FIUs.

International Standards Implementation:

The Egmont Group supports international partners' and other stakeholders' efforts to implement the resolutions and statements of the United Nations Security Council, Financial Action Task Force (FATF), and G20 Finance Ministers.

Heads of Financial Intelligence Units (HoFIU)

The HoFIU are the Egmont Group's governing body. The HoFIU make consensus-driven decisions on matters affecting membership, structure, budget, and key principles. The HoFIU communicate regularly through the Egmont Secure Web and meet at least once a year during the annual Egmont Group Plenary meeting. Director FIU Jersey is a member of the HoFIU.

Egmont Committee

The Egmont Committee (EC) is the consultation and coordination mechanism for the HoFIU and the Working Groups. The EC's primary functions include assisting the Egmont Group in various activities, from internal coordination and administration to representation at international forums. The EC also oversees the work of the Egmont Group Secretariat. The Egmont Committee is comprised of both working group and regional members.

Regional Groups

The Regional Groups assist the Egmont Group with accomplishing its goals of development, cooperation, and sharing of expertise on a regional level. Each Regional Group is represented by Regional Representatives on the Egmont Committee. Each member FIU is a Regional Group member. FIU Jersey is a member of the Europe II regional group.

Working Groups

The Egmont Group has four unique Working Groups, each with its own mandate aimed at supporting member FIUs.

Information Exchange Working Group (IEWG)

The IEWG proactively undertakes strategic work and analysis to improve cooperation between FIUs and enhance FIU operational efficiency and effectiveness and participate in operational activities or projects undertaken by other international forums.

The IEWG offers Egmont Group members operational and strategical experience and opportunities to contribute to tools (including IT) and documents as contributions to the projects from the IEWG's business plans. The IEWG provides members with the capacity to share input such as methodologies and practical cases to enrich the knowledge and practice on information exchange and other FIU activities.

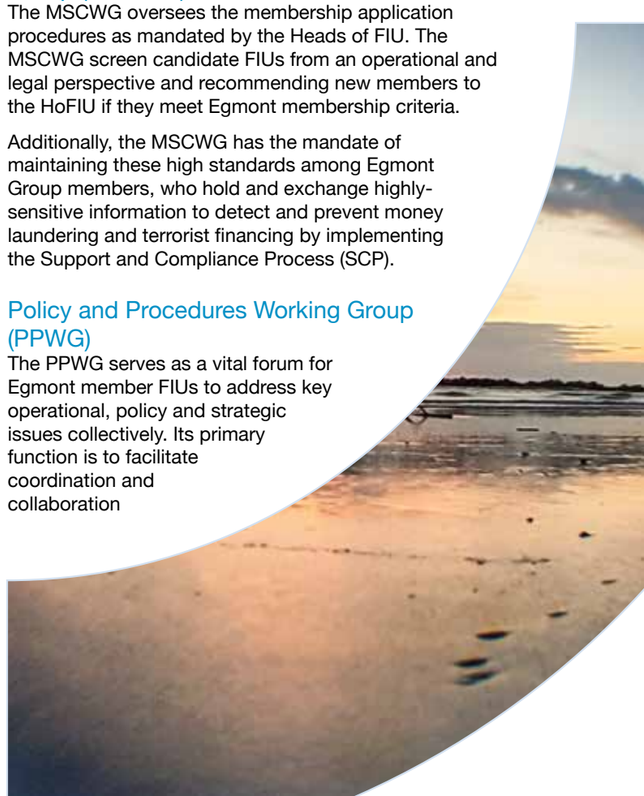
Membership, Support, Compliance Working Group (MSCWG)

The MSCWG oversees the membership application procedures as mandated by the Heads of FIU. The MSCWG screen candidate FIUs from an operational and legal perspective and recommending new members to the HoFIU if they meet Egmont membership criteria.

Additionally, the MSCWG has the mandate of maintaining these high standards among Egmont Group members, who hold and exchange highly-sensitive information to detect and prevent money laundering and terrorist financing by implementing the Support and Compliance Process (SCP).

Policy and Procedures Working Group (PPWG)

The PPWG serves as a vital forum for Egmont member FIUs to address key operational, policy and strategic issues collectively. Its primary function is to facilitate coordination and collaboration



among member FIUs, enabling them to respond effectively to emerging challenges in the sphere of anti-money laundering and counter-financing terrorism.

The PPWG ensures the Egmont Group maintains consistency with the organization's strategic plan and continue to be relevant to the global anti-money laundering and counter-financing of terrorism (AML/CFT) environment. The PPWG also supports the Egmont Group's relationships, including partners such as the Financial Action Task Force (FATF).

Technical Assistance and Training Working Group (TATWG)

The TATWG is dedicated to enhancing the capabilities of Egmont member FIUs, observers and designated guests through various capacity building initiatives. Its overarching goal is to improve the effectiveness of FIUs by providing opportunities for skills development, knowledge enhancement and expertise enrichment.

Through its comprehensive approach to training, research and knowledge exchange the TATWG plays a pivotal role in fostering professional development and capacity enhancement within the Egmont Group and the broader AML/CFT community.

So what to Jersey:

The Egmont Group are key to all FIUs and the collaborative partnership, intelligence network and information exchange is a unique and powerful intelligence capability that is the critical enabler to deliver better practical and international connectivity.

Quad Island Forum of Financial Intelligence Units
Jersey • Guernsey • Isle of Man • Gibraltar

The What:

The Quad Island Group of FIUs (Quad) was formed in 2021 and seeks to collaborate on strategic matters and opportunities that influence the FIUs of the member states, which comprises Jersey, Guernsey, Gibraltar and Isle of Man.

Aims

The Quad is an important partnership of the Crown Dependencies and Gibraltar as an Overseas Territory. We share similar challenges and have developed relevant solutions, so it is only natural that we discuss and advance suitable options for one or all to progress. Ultimately, we are stronger and have a more impactful voice as a Quad than we sometimes have as a single jurisdiction.

Throughout 2023, the Quad held in-person meetings and virtual calls as well as organised bespoke training. Meetings are generally held in London and have been generously hosted by the Gibraltar FIU at Gibraltar House, London. These quarterly meetings allow the FIU Director's and Head to discuss and strategise on mutual areas of interest as well as collectively engage with and receive insight from a range of public and private sector partners. This collaboration supports and strengthens



Gibraltar House - London

our collective capabilities and is also a cost-effective approach in engaging with numerous stakeholders.

The Quad has a number of complimentary sub-groups that seek to support better collaboration and understanding between the FIU and Economic Crime Units, tax authorities, PPPs, strategic analysis and terrorist financing across the members. In 2024 Jersey will take on the Chair of the Quad and will seek to review the structure and adjust for the future whilst undertaking a number of analytic exercises that will help the Group focus on core subjects of mutual relevance.

So what to Jersey:

Our close friends in the other Crown Dependencies and Overseas Territories have significant operational and strategic insight to share to drive best practice and tackle challenges. The benefit of this collaboration is significant.

JFIN JERSEY FINANCIAL INTELLIGENCE NETWORK

The What:

The Jersey Financial Intelligence Network is a Public Private Partnership (PPP), a collaboration between public and private sector entities working together to achieve mutually beneficial outcomes. In the context of combating financial crime, this takes the form of a partnership between the Financial Intelligence Unit and the financial sector, with additional representatives that may include relevant Government departments (e.g. financial crime strategy, sanctions) law enforcement and regulators. Collectively they seek to share, exchange and analyse information relating to money laundering and other wider economic threats.

The Financial Action Task Force (FATF), the international standard setter, fully supports and encourages the establishment of, and engagement with PPPs as does the Egmont Group of Financial Intelligence Units.

The Jersey PPP Model

The Government of Jersey financial crime strategy aligned to international best practice has been working towards the establishment of a Jersey PPP for some years. Discussions began in 2022 with on-island banks who were already members of international PPPs. This "coalition of the willing", where the banks and their hierarchy were both used to PPP formats and also fully subscribed to them and their benefits, seemed an obvious start point. Those banks also offered the international dimension that International Finance Centre (IFC) must consider.

The JFIN model is unique to Jersey but aligns to best practice and seeks to engage with both operational intelligence and strategic intelligence focuses.

The split focus is of equal importance, with operational matters considering more tactical and case related developments and vulnerabilities and the strategic intelligence working more on the wider operating environment and the need to consider controls and mitigations as they align to financial crime matters.

Initial set up has seen the FIU Jersey take the leadership role in drafting, planning and promoting the JFIN. This has been with the support and full collaboration of the members and helps to ensure the appropriate secretariat, co-ordination with Government and understanding of wider priorities is enabled.

So what to Jersey:

The benefits of PPP's are globally acknowledged and they have been shown to significantly increase collaboration and understanding between the public and private sectors. They are considered a requirement of modern AML/CFT programmes. They allow for both public and private sector to build mutual trust and understanding to drive better effectiveness, collaboration and joint working on both threats and risks as well as in lawfully sharing data and insights that would otherwise be unseen. Whilst the first JFIN Sub group, JFIN-Banking, has been created, the plan is to further create other FINs to include JFIN-Trust (TCSP Sector) and JFIN-Legal in due course.

NCA National Crime Agency UKFIU
NECC
NATIONAL ECONOMIC CRIME CENTRE

The What:

The NECC is seeking to "Improve the UK's response to economic crime" and coordinates and tasks the UK's response to economic crime, harnessing intelligence and capabilities from across the public and private sectors to tackle economic crime in the most effective way.

It jointly identifies and prioritises the most appropriate type of investigations, whether criminal, civil or regulatory to ensure maximum impact. It will seek to maximise new powers, for example Unexplained Wealth Orders and Account Freezing Orders, across all agencies to tackle the illicit finance that funds and enables all forms of serious and organised crime.

The NECC will ensure that criminals defrauding British citizens, attacking UK industry and abusing UK financial services are effectively pursued; that the UK's industries and government agencies know how to prevent economic crime; and that the UK's citizens are better protected.

So what to Jersey:

The UK is a critical ally and we have much collaboration across all aspects of security and law enforcement. The close working relationships with the NECC, UKFIU and partner organisations within the NCA and externally such as HMRC, SFO and FCA is a high priority necessity.

jmlit Joint Money Laundering Intelligence Taskforce
Tackling financial crime together

The What:

The NECC includes the well-established Joint Money Laundering Intelligence Task-force (JMLIT+). JMLIT+ is a partnership between law enforcement and the financial sector to exchange and analyse information relating to money laundering and wider economic threats.

The task-force currently consists of:

- over 40 financial institutions
- the Financial Conduct Authority
- Cifas
- five law-enforcement agencies: the NCA, HMRC, the SFO, the City of London Police, and the Metropolitan Police Service.

JMLIT+ is an innovative model for public/private information sharing that has generated very positive results since its inception in 2015, and is considered internationally to be an example of best practice.

If the UK is to tackle high-end money laundering schemes which are most commonly complex, multi-institutional, and multi-jurisdictional, then a forum to share information on new typologies, existing vulnerabilities, and live tactical intelligence, is essential.

So what to Jersey:

Partnerships and trusted relationships such as PPPs are universally agreed to be critical in the fight against financial crime and have been recognized and encouraged by FATF and Egmont Group. Our membership of JMLIT+ provides a PPP engagement wider than just the jurisdiction and is considered a fundamental enabler, for an IFC.

The What:

The International Anti-Corruption Coordination Centre (IACCC) brings together specialist law enforcement officers from multiple agencies around the world to tackle allegations of grand corruption.

Aims

Grand corruption increases poverty and inequality, undermines good business and threatens the integrity of financial markets. It can include acts of corruption by politically exposed persons that may involve vast quantities of assets and that threaten political stability and sustainable development.

The centre aims to improve fast-time intelligence sharing, assist countries that have suffered grand corruption and help bring corrupt elites to justice.

Law enforcement agencies that are participants of the IACCC include:

- Australian Federal Police
- New Zealand's Serious Fraud Office
- New Zealand Police
- Royal Canadian Mounted Police
- Corrupt Practices Investigation Bureau of the Republic of Singapore
- UK's National Crime Agency
- USA's Federal Bureau of Investigation
- US Department of Homeland Security (DHS), Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI)

On 30 July 2020 the IACCC launched a new Associate Membership Scheme. This allows law enforcement agencies from smaller financial centres to join the IACCC as Associate Members having signed an MOU. Associate Members are able to rapidly exchange intelligence with the IACCC to assist with the development of the intelligence picture on grand corruption cases. The IACCC will be able to provide further support to partners across the world with grand corruption investigations, including the facilitation of Mutual Legal Assistance (MLA) requests between their jurisdictions.

The new IACCC Associate Members are:

- The Cayman Islands Anti-Corruption Commission
- The Gibraltar Financial Intelligence Unit
- The Guernsey Financial Intelligence Unit
- The Isle of Man Financial Intelligence Unit
- The Jersey Financial Intelligence Unit
- The Mauritius Independent Commission Against Corruption
- The Seychelles Anti-Corruption Commission
- The Turks and Caicos Islands Integrity Commission

These agencies join the existing core IACCC Members, consisting of law enforcement agencies from six countries and Interpol. It is the intention that additional law enforcement agencies will join the IACCC as Associate Members on a regular basis.

The Associate Membership Scheme further strengthens the IACCC as the only international initiative to provide specific operational support to external law enforcement agencies with their domestic corruption cases.

Jersey is an active member of the Associate Membership Scheme and is recognised as such by the IACCC leads. At the annual 2023 workshops, FIU Jersey presented to the attendees on a number of subjects. Our specialist point of contact also attended and presented to the wider group on relevant anti-corruption matters. Director FIU Jersey was subsequently invited, as one of only two Associate member countries, to the annual IACCC Governance Board meeting held at the National Crime Agency Headquarters in London, in December 2023. The Director was involved in the wider dialogue and provided a presentation that included thoughts and opportunities for future development of both the IACCC and also the Associate Members.

This collaboration is seen as a highly useful and relevant partnerships, aligned to one of our largest risks and the FIU has sought to engage and influence appropriately.

> "FIU-Antigua & Barbuda appreciated the disclosure provided by FIU-Jersey. The information was comprehensive and provided new details unknown to our FIU regarding the subjects of the disclosure."
>
> FEEDBACK - ANTIGUA & BARBUDA FIU



So what to Jersey:

With Bribery and Corruption being a key threat area for an IFC and Jersey, the strong engagement and collaboration with IACCC and its members is deemed another vital enabler and priority relationship to ensure the international interconnectivity and understanding is leveraged to the most effective way possible.

The What:

The illegal wildlife trade (IWT) is organised crime on a global scale, devastating wildlife and pushing some of the world's most iconic species like elephants and rhinos towards extinction.

Royal Leadership

This criminal trade is encompassed within the broader title of environmental crime, which is a significant global risk. IWT alone is estimated to be worth up to $20 billion annually as poachers and traffickers illegally trade wildlife and wildlife body parts, such as rhino horn, ivory, pangolin scales or tiger parts, among many others. This illegal trade is a major threat to global biodiversity and human health, and is linked to money laundering, corruption and extreme violence, as well as the trafficking of drugs and weapons.

United for Wildlife was founded by Prince William and The Royal Foundation in 2013 to protect endangered species from this abhorrent trade. At its core, United for Wildlife fosters global collaboration in the private sector to stop the trafficking of wildlife products. It does this through two Task-forces: a Financial Task-force and a Transport Task-force. These Task-forces bring together some of the world's largest businesses in the transport and financial sectors to break the chains of the illegal wildlife trade.

By sharing knowledge and information across sectors and between countries, United for Wildlife is transforming illegal wildlife trade prevention and the prosecution of those who profit from these crimes.

United for Wildlife is only possible thanks to the global partnerships it has set up. These represent large proportions of the shipping, airline, and financial industries as well as government agencies, the private sector, law enforcement, conservation NGOs and foundations.

Wildlife crime poses an international threat to our nature, health and security. United for Wildlife offers a global solution to end this global problem.

So what to Jersey:

IWT is a sub sector of environmental crime and the criminal networks that exploit all of these sectors seek to hide their criminal proceeds in IFCs. Although we are unlikely to see the direct crime, our engagement, as the only IFC FIU, provides a link and visibility to the wider challenges and we see this as a serious and necessary societal collaboration.

The What:

The Global Coalition to Fight Financial Crime (GCFFC), is an alliance of public and private partners determined to help improve the fight against financial crime.

Aims

Founded in 2018, the coalition brings together different parts of the anti-financial crime ecosystem, and with this collective expertise it blends best-in-class approaches to financial crime management, risk intelligence, law enforcement, public-private information sharing and thought leadership on fighting financial crime, including money laundering.

The main objectives of the Coalition are to:

- Raise global awareness of financial crime as a critical challenge with grave financial and human consequences
- Promote more effective information sharing between public and private entities
- Propose mechanisms to identify emerging threats and best practice approaches to more robust controls against money laundering
- Identify pressure points in the current anti-money laundering/counter-terrorist framework and propose solutions to these.

Their Mission:

- **Awareness** - They raise awareness of financial crime as a critical challenge with grave financial and human consequences
- **Collaborate** - We will bring together the world's top experts and best public and private financial crime fighting organisations

So what to Jersey:

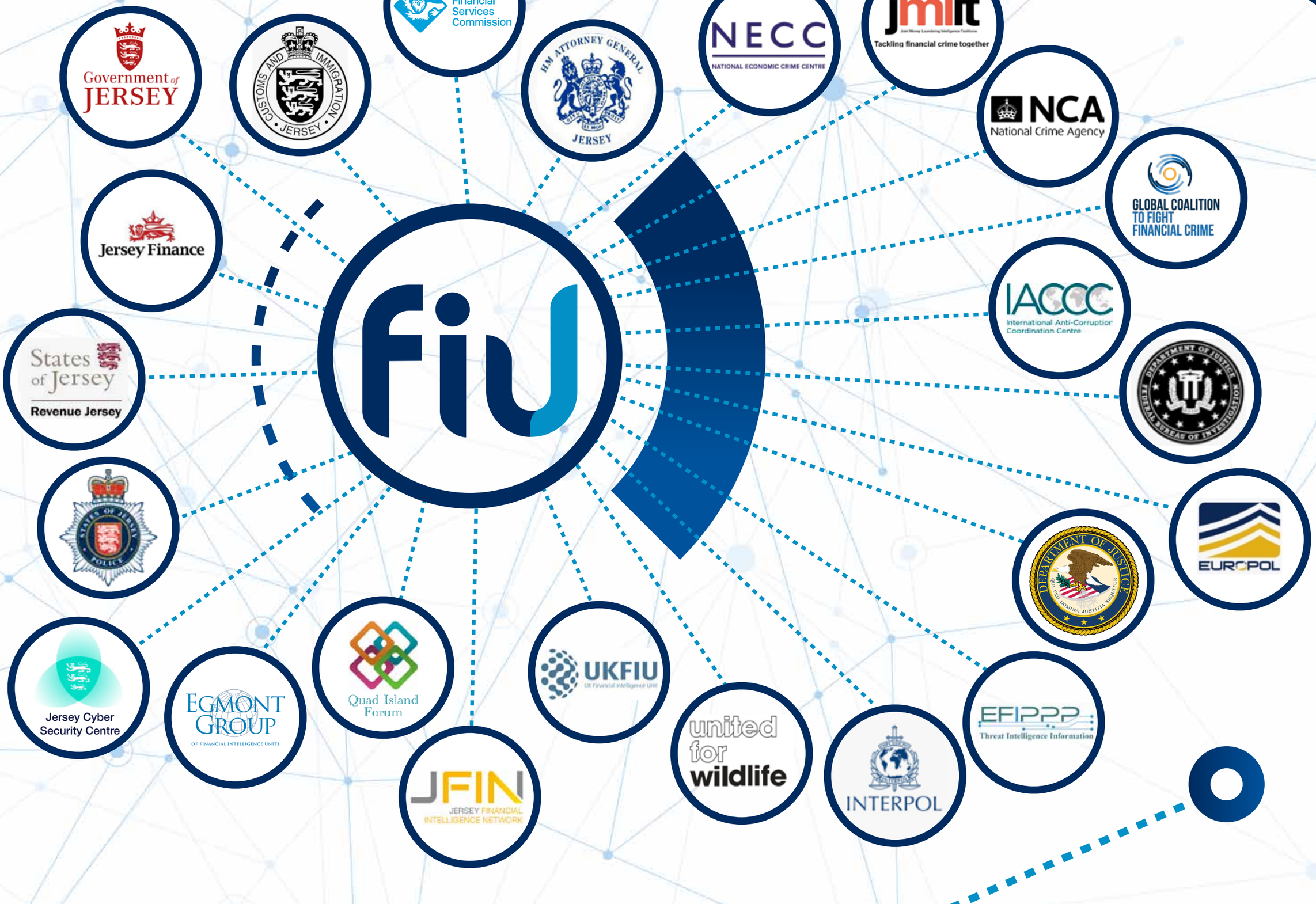
The GCFFC is THE global collaboration comprising the most influential public and private sector members focusing on tackling financial crime. To be invited to join and offer an IFC perspective and engage with the 5 most dynamic global FIUs and most forward thinking minds across technology and financial crime challenges is essential to both Jersey's relevance, understanding, collaboration and voice and we are delighted to accept that invite.

Outreach and FIU Allies

The FIU also engages across numerous other partners and allies and is building a wide network of relevant agencies that share our ethos on tackling illicit finance.

In particular we work with RUSI (with the Director being a member of the RUSI State Threats Task-force in 2023) and are working locally with a select group of forward thinking organisations and businesses.

Partner Connections



SECTION:

06

Training

Transformation through learning





Part of our transformation has had to initially focus on training to ensure we have the knowledge and tools to deliver to the highest standards. Training takes time and needs to be appropriately delivered and judged. Having previously run a large scale counter intelligence training school I'm familiar with the challenge to ensure training is not just about attendance, but that it adds a knowledge, informs and drives changes in activity to empower you to adjust behaviors and deliver to a higher standard. Ultimately, that is our goal – to ensure training and training needs analysis is undertaken in order to provide the FIU and subsequently a range of other stakeholders, with financial crime related training opportunities, relevant to Jersey and an IFC that drive effective delivery.

The FIU operates in an environment that is active across multiple levels of knowledge and expertise in a highly complex and fast-moving landscape. Understanding intelligence methodology, writing and presentation skills, knowledge of sectors and products, national risk and international risk focuses, countries, customer behaviors and ultimately financial crime methodologies across a significant number of predicate crimes and related typologies makes training highly necessary and relevant to the FIU.

Training and training support to the jurisdiction is an area we will seek to develop in future years, but for 2023, we laid the foundations of a strong and committed approach to investing in our people and ensuring training was effective and suitable for the team.

Recognising the importance of obtaining relevant knowledge, across numerous interconnected areas, that when combined, ensure the FIU is as effective as it can be is key. Our ultimate aim, is to invest in people and deliver effectiveness and relevant insight in delivering against the FIU's mission.

The FIU training approach follows the Government Core Values and seeks to be an investment in Jersey. It is underpinned by a number of core principles:

a. All FIU staff member should be provided the time and opportunity to develop knowledge through a variety of internal/external measures or formal/ informal training opportunities.

b. Training will be delivered based on the needs of the FIU. The needs of individual staff members should be addressed within the overall context of the needs of the FIU.

c. Staff members should commit to continual personal development aligned to FIU requirements.

d. A well-trained work force is a fundamental enabler for the sustainability and effectiveness of the FIU.

Our aim is to ensure training is completed and knowledge is gained at a fundamental, intermediate and advanced level that is pertinent to the different grades and responsibilities across the teams.

We have also identified limitations in identifying talent that are intelligence analysts and we have been devising our own training programme to employ, provide on the job exposure supported by training, secondments and qualifications, to grow and qualify our own talent and deliver opportunities for our own school and university leavers to obtain intelligence analyst training at a standard that is recognized across the island and internationally.

Strategic Areas Identified for Training:

Numerous subject areas are relevant to the FIU delivering against its mission and running an effective and efficient agency. The focus areas of training include, but are not limited to:

- Leadership and management
- Risk management (including establishment security and information security)
- Intelligence (OSINT, tactical, operational and strategic)
- Technology, systems and sources
- Financial crime types and associated typologies and methodologies
- Geopolitical and emerging risks
- Stakeholders and regulated sector
- Financial services
- Data and operational matters
- Product suite and analytic standards
- International standard setters and partners
- Induction Process, Mentoring and Coaching

Focused Training Areas

In addition to core training across Money Laundering, Financial services, Intelligence and Management subjects, it is recognised that other current and emerging threats require additional focus. To support this, the FIU ensures that there is specialist training available to support the nuanced requirements in understanding of Terrorist Financing and Crypto areas.

The FIU is establishing the need for all staff have a minimum of a good knowledge of TF risks through to an advanced level of dedicated experts. This is achieved via a combination of the completion of specific FIU and LEA training and advanced knowledge and discussions / secondments with international experts.

A second example of the need for high knowledge is the area of Crypto-currency/VASPs and related financial crime risk The FIU is growing a bespoke training plan and attendance at events and discussions with external experts to address any current gaps.

SECTION:

07

FIU Analysis

Review & statistics for 2023

Note: Operational analysis is covered in our quarterly reports.

fiU Annual Report 2023

Changes to the PoISAR portal

On the 1st of April 2023 the online PoISAR Portal was updated to allow more than one institution to submit a SAR, CR or MIR. This was primarily driven by collaborative engagement and feedback from industry and wider changes made to the exemptions regime.

A working group was convened, from across the regulated sector, to consider the changes and implications needed.

Not all the recommendations could be implemented in the first round of developments as this would have delayed the update to the PoISAR portal. However, these were saved and kept for further development work at a later stage.

On the whole, feedback has been positive to the implemented changes, which have reduced the number of SARs which can be submitted for multiple entities managed by the institutions and MLROs who administer more than one entity.

Current system limitations of the PoISAR portal has resulted in further developmental work being scheduled for inclusion in future iterations in our planned replacement reporting portal, which form part of Project Liberty technology working group.

Days to grade SARs

In 2023 the FIU received a total of 1,547 SARs which were all manually assessed and feedback provided through the PoISAR portal. On average it took 1.7 working days to grade a SAR. N.B. this is an average of whole working days which means if a SAR was submitted on 3rd January 2023 after working hours, the SAR would be processed on Monday 5th January 2023 and therefore would calculate as being 3 working days.

The FIU does not collect exact times that SARs are received on the current portal, so precise calculation cannot currently be made.

Days to grade CRs and MIRs:

The FIU received 2,308 CRs and 820 MIRs through the PoISAR portal. On average it took 1.8 working days to grade either a CR or MIR received through the portal. This is an average of whole working days, The same caveats apply as relating to SAR submission calculations.

It should be noted, the processing figures for CRs and MIRs only applies to submissions provided via the PoISAR portal. It does not include any submissions which were provided via email, hand delivered or provided in another format.

In addition to PoISAR submissions described above, an additional 1,443 reports were also received. These are predominantly UK intelligence submissions but also include intelligence received via Egmont Group FIUs, responses to DPAs and other requests.

Introduction of Feedback on the PoISAR Portal

When the FIU made changes to the PoISAR portal on the 1st of April 2023, we also introduced the ability to provide feedback on every piece of intelligence received and on each section of the submission.

The aim of the feedback process, was two-fold. Firstly, it allows the grading officer to provide comments at each stage of the submission such as guidance to the submitter on best practice and how they might improve the quality of their submission in the future.

The second reason allows the grading officer to request further information on what has been submitted for each section of the submission and/ or ask for further clarification.

Ultimately, the feedback features of the PoISAR portal allows the FIU, where necessary, to provide guidance when required to raise the overall standard of the submissions to the FIU team.

Feedback can be provided on the following areas:

- Type of report chosen (SAR / MIR / CR)
- Country of Predicate Offence
- Details of Criminality Suspected
- What activity prompted SAR?
- Details of Suspicion
- Source Of Funds / Source of Wealth information
- Measures taken to address the suspicion
- Full details of other associated persons, companies or assets
- Details of introducer / intermediary
- Consent Requests
- Subjects
- Companies
- Assets
- Attachments

On the 1st of November 2023, the FIU made some further minor changes to the PoISAR portal after feedback received from industry on the initial grading criteria.

FIU continues to review the feedback process, and any further changes to it or the PoISAR portal will be communicated to industry as required. The performance of the PoISAR portal showed a less than 0.5% downtime over 2023, predominantly due to scheduled maintenance.

Consent Requests

The Consent Regime is an important function of the FIU and guidance is available via the website. Essentially, Consent Requests to Act, Transact or Exit.

The FIU received a total of 1,790 Consent Requests in 2023. The banking sector submitted the highest number, followed by TCSP, followed FSB sector next. The highest number of Consent Requests received were to Transact.

Row Labels	Count
Act	214
Exit	596
Transact	980
Total	1790

It should be noted, that the total number above is different to the actual total of Consent Requests submitted to the FIU in 2023. This is because of changes that were made to the PoISAR Portal in February 2023 which allow for submitter to request consent on behalf of multiple entities within on consent request.

As a result, Consent Requests received by the FIU in 2023 per sector breakdown as follows:

Row Labels	Count
Banking	928
TCSP	816
FSB	68
Investment Business	57
Lawyer	34

Days to respond to Consent Requests

It took an average of 3.2 working days to respond to Consent Requests. The figures are calculated with the same caveats as per SAR submissions. The median number of working days taken to respond is 2.

Occasionally, the average is being impacted by a few outliers where a longer time is required to respond.

POC Notice response times:

As per Section 3 of the Proceeds of Crime (Financial Intelligence) (Jersey) Regulations 2015, where a SAR has not been submitted by the institution, the FIU can send a POC notice to industry within certain defined caveats.

This does not include requests made where the institution has already submitted a SAR.

The FIU sent 492 POC notices. The response time from industry, averaged at 7 working days. The FIU asks for request for information responses within 14 calendar days so this fast turnaround demonstrates good cooperation from industry.

DPA Request response times:

Another option the FIU has is to send DPA requests, more normally to overseas institutions which are often challenger banks. In 2023 we sent 184 DPA of which 177 responded.

On average, the response time is 3.99 working days. N.B. this does not include requests where no response was received or where the institution refused to provide the information.

RFA in / Days to respond to RFAs:

The FIU received 63 RFAs from 28 Egmont members during 2023. The average number of working days taken to respond was 14.9 days. This process usually requires the FIU to request information from industry. Once information is received, further development and assessment may be required to ensure that useful and relevant responses can be provided.

The Egmont Group best practice indicates a one-month response is as the ideal turn-around time. Therefore, on average, the FIU is responding within half the recommended time.

The jurisdictions we received the highest number of RFA from were UK, Malta, Mauritius, Guernsey and France.

RFAs out to Egmont Group FIUs:

The FIU sent out 192 RFAs to 50 different Egmont Group FIU members in 2023UK and France are also in the top 5 jurisdictions for RFAs in and out.

UK, USA, France, Nigeria and UAE are the top 5 jurisdictions for onward disseminations.

PEPs:

145 SARs (9.37%) were submitted which included at least one individual who was a PEP in 2023.

In total, of the 145 SARs, 193 PEPs were identified and 55 different “Primary PEP jurisdictions” were chosen.

Effective from September 2023, the JFSC AML Handbook now allows for individuals to lose their PEP status and no longer be considered a PEP, where previously, PEP status was retained for life. Russia, UK, UAE, and Nigeria are the jurisdictions where the highest number of PEPs were reported. Note: Where a PEP is listed on multiple SARs, these entries will cumulatively counted towards the total number of PEPs. E.g. if one PEP is listed on three SARs, the figure will be three.

Row Labels	PEP Numbers
Russian Federation	28
United Kingdom	12
United Arab Emirates	9
Nigeria	9
Turkey	8
Saudi Arabia	8
Malaysia	8

Egmont Group Shares:

FIU Jersey shared with 99 of the 174 Egmont members, which equates to a 57% engagement rate.

The jurisdictions we shared most frequently with were UK, USA, France, Singapore and Isle of Man.

UK and France are also in the top 5 jurisdictions for RFAs in and out.

UK, USA, and Singapore are also in the top 5 jurisdictions for onward disseminations.

Onward Disseminations:

This relates to where FIU Jersey has provided permission to other FIUs, via the Egmont sharing platform, to onward share the intelligence we have provided with other agencies, for example law enforcement or tax authorities in their jurisdiction.

Intelligence has been requested to be forwarded to 151 agencies in 42 of the Egmont Group jurisdictions, the top jurisdiction to onward share are the USA, UK, India, Italy, and Singapore.

When the USA requests permission to onward disseminate, they include the names of a number of federal agencies. Examples of USA agencies include:

- Homeland Security Investigations
- Federal Bureau of Investigation
- Office of Foreign Assets Control
- Office of Intelligence and Analysis
- Drugs Enforcement Agency
- Internal Revenue Service
- Secret Service

Legal Person / Legal Type:

In February 2023, as a result of discussions in the Legal Persons/Legal Arrangements NRA working group, this field was expanded on the PolSAR SAR portal. The FIU changed the drop down from “Legal Person” or “Legal Arrangement” to the list of the actual types of Legal Person and Legal Arrangements as per the NRA.

The most selected types are Jersey Company, Not a Jersey Legal Person, Jersey Express Trust, and Not a Jersey Legal Arrangement.

Row Labels	Involved Party	Suspect	Victim
Jersey Company	325	164	18
Not a Jersey Legal Person	234	130	16
Jersey Express Trust	123	9	4
Not a Jersey Legal Arrangement	60	42	4

This insight provides the FIU with further opportunities to understand, in greater granularity, financial crime threats and vulnerabilities.

SECTION:

08

FIU in Transition

Independence & Projects

Independence

On the 27th of July 2023, the Proceeds of Crime (Financial Intelligence) (Amendment) (Jersey) Regulations 2022 came into force. They amended various provisions of the Proceeds of Crime (Financial Intelligence) (Jersey) Regulations 2015. The effect was to give the FIU autonomy and operational independence from the States of Jersey Police, whilst still remaining accountable for its strategic approach to the minister and Governance Board.

By regulation 1(1) the functions of the FIU are (inter-alia) to:

a. Receive, gather, store, analyse and disseminate information about financial crime (whether in Jersey or elsewhere);

b. Receive suspicious activity reports and other disclosures of information about financial crime; and

c. Assist with the prevention and detection of financial crime.

To enable this new independence and ability to adjust our focus to ensure it is fully aligned to the threats a leading IFC faces we have identified 3 primary areas to progress the transformation and a new FIU.

Project Liberty

This formal project commenced in 2023 and seeks to implement the changes identified during the earlier review of the FIU’s needs. It has 3 primary focuses: legislative adjustments, location and technology and sources.

The FIU is seeking to deliver the primary elements of Project Liberty by the end of 2024.



Our Vision

To support the island's position as a leading **International Finance Centre** by playing a **principal** role in the prevention and detection of financial crime and grow into a **Tier 1 FIU** to best **safeguard** Jersey against **illicit finance**.

FIU Development Timeline

2015

MONEYVAL 2015

Comments made on resourcing of the FIU, suitability of the FIU for an IFC and the FIU comprising of Police officers who were frequently diverted to other duties depleting the capability of the FIU to deliver its core functions.

6 x Police Officers under the command of the JFCU team utilizing a limited SAR portal and aligning to UK Police NIM intelligence methodology.

2016

COMMAND REVIEW

Agreement on need for clearer independence and a Command firewall in JFCU allowed for the splitting out of JFCU Ops and FIU with separate Heads.

2017

COMMENCE CIVILIANISATION

Ongoing reviews of existing staffing structure and specialisations resulted in recruitment of civilian intelligence staff.

2018

IMPROVING DATA

A Review of the SAR Template undertaken to improve reporting mechanisms. Industry engagement through working group. Agreed uplift in resources from 7 to10 (a 20% increase an additional analyst.

2019

INTERNATIONAL GROWTH

New SAR portal guidance issued to Industry. An all Agency Lean Evaluation process undertaken - receipt of SAR to conviction/ confiscation.

New cross-agency Triage Process. Implemented and a LOD Legal representative supporting the FIU and undertaking case review on weekly basis.

2020

IMPROVING SARs & EVIDENCE TO CHANGE

A new SAR Template Project undertaken. Covid Pandemic Lock-down impacted the FIU but essential functions and international engagement continued.

Jersey's ML NRA contained a number of FIU recommendations (data quality, reporting, resources).

2021

FURTHER EVIDENCE TO GROW

Jersey's TF NRA Published. Full FIU restructure plan proposed to Government. FIU legislative planning commences.

2022

GoJ CONTINUAL SUPPORT & EARLY FUNDING

Approval of New FIU structure Plan by Government. New SAR template introduced to improve data. Strategic analysis delivers monthly review.

X-industry SAR working group & Feedback approach. Consent managed via SAR Portal (Current & Historic list).

Redesign analytic reporting and quarterly reporting to Industry with use of data from new SAR portal.

Recruitment of new staff/new skills from local industry.

2023

CULMINATION OF CHANGE

New Director appointed.

FIU becomes independent agency in law.

FIU Administrative model.

SECTION:

09 Structure and teams

Director's Office

- FIU Director
- Deputy Director, Head of Intelligence
- Head of Business, Risk & Capabilities
- Head of Engagement & Industry
- Senior Legal Advisor

Leadership
Director's Office

TaCIT

- Tasking
- Tactical
- Consent
- Decisioning
- Domestic focus

COAT

- Operational analysis
- Network analysis
- Complex casework
- International focus

SIT

- Strategic analysis
- Network analysis
- Statistical analysis
- OSINT
- Geopolitical
- Projects

ICE

- Capabilities
- Op Risk & Governance
- Technology & Data
- Communications
- PPP & Partnerships
- International

fiU Annual Report 2023

Our Message

We are **Jersey's independent national intelligence agency**, working collaboratively with all of **Jersey's competent authorities**, and network of global **intelligence partners** to better understand and monitor potential **Financial Crime threats.**

Notes



FIU ANNUAL REPORT 2023

Financial Intelligence Unit - Jersey

SoJP Headquarters
La Route Du Fort
St Helier
Jersey JE2 4HQ

Tel: +44 1534 612250
Email: fiu.admin@jersey.police.je

Follow us on social media:

20240807_1032_V1