

NARRATIVE REPORT ON JERSEY



PART 1: NARRATIVE REPORT

Overview

Jersey is ranked at 18 position on the 2018 Financial Secrecy Index, dropping two places from 2015. This ranking is based on a combination of its secrecy score and a scale weighting based on its share of the global market for offshore financial services.

Jersey has been assessed with 65.45 secrecy points out of a potential 100, which places it at the lower end of what might be regarded as the 'extreme danger zone' for offshore secrecy (see *chart 1*).

Jersey accounts for 0.38 per cent of the global market for offshore financial services, making it a small player compared with other secrecy jurisdictions (see *chart 2*).

Part 1: Telling the story¹

The Jersey financial centre: history and overview

Jersey, the largest of the British Channel Islands, lies 135 kilometres south of the English coast and just 45 minutes by jet from London. Proximity to the UK means that the island's financial centre is intimately linked to the City of London and the majority of financial structures booked in Jersey are linked to the City.

Despite its tiny size, with a population of around 100,000, the island hosts a large offshore financial centre in its capital, Saint Helier, with a sophisticated cluster of international banks, trust companies and law firms. For decades offshore trusts have been a mainstay of the island's wealth management sector: according to industry lobbyist Jersey Finance, Jersey trusts control [an estimated](#)² £1 trillion in assets, with £400 billion in private trusts and £600 billion in commercial trusts. Anecdotally, Jersey practitioners [are on record](#)³ as having said that "over 90 percent of their trust business concerns discretionary trusts", which are recognized as highly problematic and structurally open to abuse.

Six out of the nine offshore law firms identified as being members of the so-called 'offshore magic circle' operate in Jersey, and four of these firms (Bedell Cristin, Carey Olsen, Mourant Ozannes, and Ogier) originate from Jersey and Guernsey. A defining feature of the offshore magic circle law firms is that they operate in a multiplicity of offshore financial centres, and in terms of numbers of lawyers employed the circle members constitute nine out of the ten largest offshore law firms. The multi-jurisdictional nature of these law firms reflects their role as key players in creating and administering the complex offshore structures of trusts and companies used for tax avoidance purposes by private wealth management companies and multinational businesses.

Jersey also hosts hedge funds, private equity firms and many other kinds of shadow banks, and has specialised in offshore securitisation of debt.

With its tiny population and oversized financial services sector, Jersey is economically dependent on, and politically captured by, offshore finance, serving as a microcosmic illustration of the concept of [the Finance Curse](#)⁴. As we shall see in the following report, the island's

Rank: 18

Chart 1 - How Secretive?

65
Secrecy Score

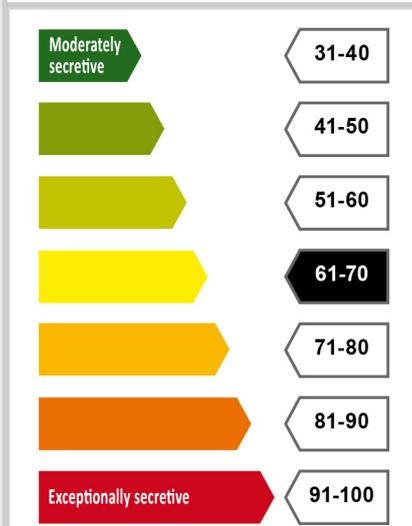
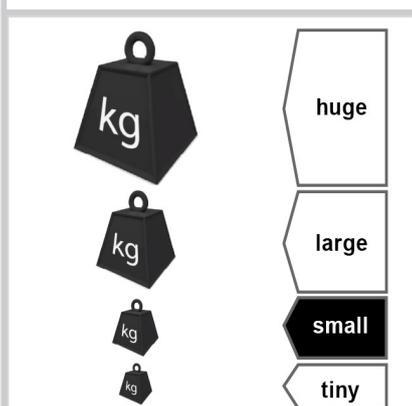


Chart 2 - How Big?



Jersey accounts for less than 1 per cent of the global market for offshore financial services, making it a small player compared with other secrecy jurisdictions.

The ranking is based on a combination of its secrecy score and scale weighting.

Full data on Jersey is available here: <http://www.financialsecrecyindex.com/database>.

To find out more about the Financial Secrecy Index, please visit <http://www.financial-secrecyindex.com>.

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political and judicial arrangements are peculiarly unsuited to hosting an offshore financial centre, lacking the necessary separation of authority between judiciary and legislature, and with wholly inadequate independent political oversight of the financial services sector. These inadequacies were exposed in 2017 when an [inquiry into child abuse](#)⁵ going back over fifty years revealed a culture – known locally as “the Jersey way” – that inhibits independent thought, scrutiny, and accountability. This culture has deepened the island’s vulnerability to the Finance Curse.

As we observed in previous reports on Jersey, Jersey’s [lack of a viable alternative development strategy](#)⁶ is cause for concern, not least for the islanders themselves. The offshore financial centre in Saint Helier accounts for over 50 per cent of gross value added in the local economy, and virtually every other sector operates downstream of its activities. In such a monoculture economy, and without any serious prospects of breaking free from this economic dependence, Jersey’s authorities are loath to curtail the secrecy arrangements (e.g. offshore trusts, companies and foundations) that attract such a large proportion of its financial business. As researchers have [recently argued](#)⁷, they are locked into a political economy over which they have almost no control:

“They have limited scope for reducing their dependence on offshore financial services. With approximately one quarter of its economically active population directly employed in the OFC, and the majority of the remaining workforce employed in secondary sectors like construction, distributive trades and catering, there is virtually no alternative skills base on which new industries can draw. This path dependence has been reinforced by the extraordinary high costs of land and labour, which have crowded-out pre-existing industries. Taking measures to diversify the local economy will therefore require politically unpalatable steps to significantly reduce the domestic cost base.”

Britain’s benign neglect of Jersey’s offshore banking

For centuries, Jersey has exploited its peculiar constitutional relationship with Britain to maintain a degree of fiscal autonomy. This history of exploitation has deep roots, as the authors of Balleine’s *History of Jersey* note:

“About this time (late seventeenth century) Jersey’s smuggling began to attract

attention. The English Customs awoke to the fact that the Island was importing far more tobacco than it could possibly smoke. Enterprising merchants were buying it in Southampton, getting a rebate on duty, bringing it to the islands and then landing it on moonless nights in remote Devonshire coves. So in 1681 a Customs’ House officer, Lawrence Cole, was sent to Jersey to keep an eye on what went out and came in, and he obtained authority ‘to board all vessels coming and going and take account of their loadings’. He was succeeded in 1685 by William Hely, who complained that the whole island was in conspiracy against him and that whenever he tried to do his duty he was affronted and beaten and could get no help from Jurats and Constables. The Jersey smugglers defied all efforts to outlaw them and ultimately Hely joined them.”

The reference to uncooperative Jurats and Constables, senior officials within the island’s judiciary and (unpaid) police forces respectively, is telling. This is an island culture with little respect for the laws and mores of other countries, and generally subservient to “enterprising merchants” engaged in criminal activities. Plus ça change, plus c’est la même chose.

The island was a relatively early entrant to the offshore financial services market. In the 1920s high net worth individuals from Britain either emigrated to the island or shifted their wealth to Jersey and registered offshore trusts and companies to avoid wealth and inheritance taxes. Income tax was originally introduced in 1928 at a rate of 2.5 percent, but subsequently raised to 20 percent in 1940 by the German military government. The personal income tax rate remains 20 percent, but corporate profits and capital gains are not taxed, and there is neither a wealth nor inheritance tax. As academic researchers have noted (*Offshore Finance Centres and Tax Havens*, [p. 181](#)⁸): “a large proportion of the transactions conducted in Jersey are tax driven (that is, transactions that are booked there without the requirement of adding value so that there is little real activity) which is a key identifier of a tax haven.”

Before the abolition of British exchange controls in 1979 by Prime Minister Margaret Thatcher, all banks in Jersey came under the Bank of England exchange control regulations, but the Bank of England historically operated a regime of benign neglect with respect to Jersey. Offshore banking expanded rapidly from the 1960s as London-based secondary banks expanded their offshore Euromarket activities:

Hill Samuel from 1961, then Kleinwort Benson and Royal Trust of Canada in 1962, Hambros Bank in 1967 and then the first U.S. bank, First National City, the following year. Within a decade, 30 international banks were operating from Saint Helier, including Citibank, Bank of America, Deutsche Bank, Banque Nationale de Paris, Barclays Wealth, HSBC and Bank of India.

Saint Helier: an extension of the City of London

A British [Crown Dependency](#)⁹ since the 13th Century, Jersey's key officials, including the Bailiff (an unelected official who acts both as president of the island's legislative assembly while also being the island's senior judge), the island's Lieutenant Governor and the attorney general are all appointed by the British monarch. One commentator describes Jersey's relationship with Britain as "within and yet without, of being under the UK umbrella and yet with the space to have a surprising amount of freedom". (*The offshore Interface*, [p. 154](#)¹⁰)

Relations with the City of London are particularly close. Jersey Finance, the self-styled voice of the International Financial Centre, [describes](#)¹¹ the relationship as follows:

"For many corporate treasurers, institutional bankers and treasury specialists, fund promoters, brokers and other corporate financiers, Jersey represents an extension of the City of London."

All legislation agreed by the island's legislature must be ratified by the UK monarch's Privy Council before being enacted. And yet politically Jersey is not part of the UK and, through smoke and mirrors, regularly projects itself as being free from UK interference. This provides comfort to British elites using Jersey for tax cheating, while at the same time reassuring them that if the worst arises they can protect their interests through appeal to the UK Supreme Court.

This odd relationship with the UK is echoed in the peculiar relationship between Jersey (and its fellow Bailiwick of Guernsey) and [the European Union](#)¹². Strictly speaking, Jersey is inside the Customs Union for the purposes of trade in tangible goods, but is not party to EU Directives or treaties such as the Single Market Act or the Maastricht Treaty. It is not clear at time of writing how Britain's Brexit negotiations might impact the island, which relies heavily on imported goods and labour.

Jersey's inside-outside relationship with Britain is also reflected in the island's culture and social

relations. Superficially the island feels British, but with Norman-French street names. As author Nick Shaxson notes in his book [Treasure Islands](#)¹³, the tiny scale amplifies many of the problems of contemporary Britain: conflicts of interest and corruption are rife and the elite have made their own interests synonymous with the interests of the entire population. In the near-absence of opposition politics and independent media this is a recipe for stifling dissent – especially when it challenges the dominant offshore financial sector. This issue is explored in greater depth in the Jersey Way section below.

A half-hearted commitment to transparency

Although Jersey does not have formal banking secrecy backed by criminal law (as is the case in Switzerland or the Bahamas, for example) secrecy is provided in various other ways, including via Jersey trusts, offshore companies and, since 2009, foundations. These legal arrangements, combined with judicial separation from the UK, provide an effective secrecy space that attracts illicit financial flows from across the world (though typically the actual assets owned by these structures are elsewhere: apartments in London, bank accounts in Switzerland, yachts moored in Monaco during the summer, and so on).

While the funds flooded in during the 1980s and 1990s, the island's regulatory authorities did little to intervene to prevent dirty money from rushing through Saint Helier en route to London. On September 17, 1996, in a searing article about an accumulation of scandals in Jersey, the *Wall Street Journal* described this secrecy jurisdiction as "an offshore hazard . . . living of lax regulation." Two years later, in response to a major regulatory failure involving the Jersey subsidiary of Swiss banking giant UBS and a convicted foreign exchange dealer operating from offices in the island, New York assistant district attorney John Moscow was quoted in the *Financial Times* saying:

"The Isle of Man authorities see their job as keeping the bad guys out. Jersey sees its job as co-operating with criminal authorities when the law requires it, without necessarily keeping the bad guys out."

Such articles, which appear from time to time, are usually met by a frenzy of public relations activity, along the line: 'we are clean, well-regulated and cooperative; and our critics are motivated by foul purposes.' In addition, when major wrongdoing has been uncovered and publicised, Jersey authorities

argue that this kind of activity all happened a long time ago, and point to their position (alongside nearly every other secrecy jurisdiction) on successive OECD white lists.

Matters were particularly bad in the 1990s and 2000s amid a phase of management buyouts, whose financial arrangements meant that the directors of trust companies were under tremendous and unprecedented pressure to maximize short-term financial performance. This led to a wave of particularly unscrupulous practices and tolerance of financial criminality. The permissive attitude of Jersey's authorities was captured in the following comment, published in *Treasure Islands*, from Robert Kirby, technical director of Jersey Finance.

“Someone comes up with a new idea, but onshore regulation blocks it. You can lobby onshore, but there are lots of stakeholders, you have to get past them all, and it takes a long time. In Jersey you can bash this thing through fast. We got the leading-edge years ago. We can change our company laws and our regulations so much faster that you can in say the U.K., France or Germany.”

This all sounds jolly dashing and creative – until you recognize that what he is saying is that virtually none of the checks and balances that constrain financial lobbyists in mainstream democracies exist on Jersey. It is another pointer to capture by financial interests: they can create regulation for offshore financiers without having to go through messy democratic politics. The Island's only newspaper has been almost entirely uncritical of offshore finance for decades, there are no think tanks or universities which can independently scrutinize proposed laws and inform politicians and the public of their shortcomings. Few politicians have independent researchers to support their scrutiny activities.

In recent years, facing considerable external pressure and adverse publicity, Jersey's authorities have committed to automatic exchange of tax information under the Common Reporting Standard, and have signed a number of bilateral tax information exchange agreements. These commitments to international transparency have significantly enhanced the island's transparency score and overall ranking on the Financial Secrecy Index. On the negative side, however, following extensive consultation with the island's financial services industry, the island's government declined to create a public registry of beneficial ownership of companies, despite requests from the former UK

Prime Minister, David Cameron, to do so.

Perhaps more significantly, in the case of trusts, which are a key part of Jersey's offshore offer (especially discretionary trusts which are particularly prone to abuse), there is little indication that the island's authorities are willing to require basic information about settlor and trustee information to be made available on public registry. In our discussions with Jersey lawyers and government officials they place great emphasis on the need to “balance” legitimate public right to access to ownership information against the owner's right to privacy. But they invariably and unsurprisingly side with the latter.

Talking with Jersey officials in August 2017 the author of this report heard several variants of the argument that trusts allow ageing grandparents to pass wealth to their grandchildren without disclosing their intentions ahead of the latter reaching maturity. Who wouldn't be moved by this heart-warming scenario? But this narrative is entirely bogus. Grandparents wanting to leave wealth to future generations do not need to use an offshore trust settled in a secrecy jurisdiction like Jersey: they can use wills (see [our paper on Trusts](#)¹⁴ for more details). In most cases the use of an offshore trust signals an intention to avoid inheritance tax, avoid wealth tax, and most likely avoid all other applicable taxes. When tax isn't a primary driver, the intention is usually to escape from some other law. Banks routinely use trusts, including Jersey trusts, to get assets off their balance sheets: this was one of the practices that led to the build-up of debt that helped cause the global financial crisis.

While we accept an individual's right to a fair degree of confidentiality, we note that offshore trusts have been abused for decades as a central feature of sophisticated tax avoidance and money-laundering structures. As things currently stand, the “balance” of information disclosure favors the rights of rich people over the rights of the public, encouraging criminality and inhibiting legitimate enquiry by investigative journalists and others. Individuals seeking confidentiality can act in their own names without recourse to offshore trusts.

Worse, in our discussions with Jersey government officials and lawyers they seem to consider it perfectly legitimate for non-residents to use offshore trusts to circumvent the domestic laws of their home country. A frequently used example relates to enforced inheritance laws, which apply in many countries including, ironically, Jersey. The following text, copied from the website of a leading Jersey law firm illustrates the point:

Assets held in a trust can be distributed in any manner that the settlor desires. An individual from a country with rigid legal or religious inheritance laws may wish to arrange for a distribution of assets on his death, different to that required under the law. By establishing a trust outside that country in Jersey, and depending on the location of the assets that will constitute the trust fund, the desired distribution plan can often be formulated and implemented.

¹⁵

Let's cut through the marketing copy and get to the core of what's on offer: if you don't like your domestic laws, no problem, use Jersey law instead. P.S. Just don't tell the authorities of your own country about this little offshore arrangement.

And it doesn't just apply to enforced inheritance. In his most recent report on the abuses of trusts, TJN lawyer Andres Knobel outlined the case of a Jersey trust used by the former head of the London office of the Kuwait Investment Authority to avoid creditors in Spain. He reported as follows:

" . . . a Jersey case involving Sheikh Fahad Mohammed Al Sabah, the former head of the Kuwait Investment Authority in London who defrauded a Spanish company of hundreds of millions of dollars, is revealing. In theory, it should be possible to penetrate Jersey's asset protection trusts by someone who's the victim of criminal activity by the settlor. Yet when the Spanish group, GT, tried to collect in Jersey on an \$800 million judgment against Fahad, it was unsuccessful because the money was in the trust, and that seemed to be sufficient. Among the arguments the Court made:

The Court found that Sheikh Fahad did not retain dominion and control, even though numerous transactions were made at Sheikh Fahad's request and no such request was ever refused. In this regard, the Court stated, "In our judgment trustees who consider a discretion in good faith ... cannot be said to be under the substantial or effective control of the requesting settlor ... it cannot be sufficient simply to show that, in practice, trustees have gone along with a settlor's wishes [because this result could be] consistent with the trustees having exercised their fiduciary responsibilities properly [by] having decided that each request of the settlor was reasonable and in

*the interests of one or more beneficiaries."*¹⁶

One point worth noting here is how this Jersey tax haven court appears to have bent over backwards to try and defend and protect what looks to us like a sham trust: the settlor (debtor) clearly had control over the trust.

The other point is that the trust *still* couldn't be penetrated, even though the person guilty of embezzlement would benefit from the trust (he was the settlor and also one of the beneficiaries). The law firm Jeffrey M. Verdon concluded:

*"even though Sheikh Fahad had defrauded GT out of \$800 million, the Court refused to let these 'bad facts' color its judgment, especially regarding GT's public policy and unjust enrichment arguments—which I believe speaks volumes about judicial attitudes, in general, towards trust settlers in these trust-friendly jurisdictions"*¹⁷.

This case proves how the 'fraudulent conveyance' remedies can't really solve all problems. The argument used by the Court was that "the trust funds in question were 'clean assets,' i.e., assets that were validly contributed to the trust well before GT became a creditor of Sheikh Fahad [and thus] fraudulent transfer was not at issue"¹⁸.

Yet had Sheikh Fahad not used a trust and instead held the money under his own name, it wouldn't have mattered how and when he had got it: he would have had to pay his debt with any money he held, including both 'clean' and 'embezzlement-originated'. That's what the defenders of capitalism ought to be supporting."

You can read the full text of Andres Knobel's report [here](#)¹⁹:

The comment about the Jersey Court bending over backwards to defend and protect the sham trust echoes Balleine's comment about Jurats and Constables protecting smugglers from the UK customs officials way back in the C17th.

The concluding remark from law firm Jeffrey M. Verdon is also worth dwelling on. The judiciaries of tax havens seem to consider their primary role as defending the rights of settlors / trustees / beneficiaries rather serving the overall cause of

justice. They are enormously permissive when it comes to the abuse of trusts, as the Sheikh Fahad case shows, and in being so have allowed trust arrangements to become a key component of the toolkits of criminals.

Jeffrey Verdon's comments are echoed by a prominent Jersey political insider interviewed by TJN in October 2017, who wrote in an email:

"The Independent Jersey Care Inquiry, which was published in July this year noted the following: 'While the States of Jersey has always been able to provide sufficient resources to keep pace with developments in international financial law, Jersey's child care legislation has lagged behind other jurisdiction in the developed world – often by decades.'

This remains the same today. Whilst it can be argued that the current leadership comes from a more paternalistic *Christian Democrat/Conservative* position, the first job of the Jersey government and its Chief Minister is to *defend finance at all costs*, and the interest of the super-wealthy and those corporations who benefit from *not paying tax*.

An example of this defensiveness can be seen by the old-guard defender of the *Jersey Way*, the External-Relations Minister, Senator Sir Philip Bailhache, former Bailiff and brother to the current Bailiff. During a speech on tax information sharing, the Minister said:

*'Jersey was indeed one of the first countries to commit to what is now called the Common Reporting Standard. So when **mischievous or malicious critics** assert that Jersey is a **tax haven** which hides the assets of tax evaders Members will be able to rebut such false claims by stating that there are regulations which require financial institutions in Jersey to report every material piece of financial information through the Taxes Office in Jersey to the fiscal authorities of the member states of the O.E.C.D.'*

The External Relations Minister, a former lawyer, chose his words carefully. Many of the criticisms levelled at Jersey and similar tax havens relate to weak information sharing with non-OECD member states, particularly developing countries. The criticisms also relate to the Jersey government's

steadfast refusal to make beneficial ownership information publicly available on a company and trust register. The Minister's careful avoidance of any mention of these issues speaks volumes about the culture of mendacity that survives in many tax havens.

In summary, we interpret the island's decision to not move more decisively in the direction of public disclosure of ownership information about companies and trusts as indicative of a continued commitment to blocking progress towards offshore transparency.

The Jersey Way

At face value the revelations in 2017 on [child abuse at Haut de la Garenne](#)²⁰ tell a story about a local authority that failed over the course of many decades to protect vulnerable children. At a more profound level, however, the failure shines a spotlight on an island culture that enforces conformity, tolerates official perjury, ignores the perversion of the course of justice, allows extensive conflicts of interest throughout the judicial and political systems, and suppresses political dissent. This culture flies under the name the 'Jersey Way'. As the *Irish Times* reported, the child abuse enquiry revealed:

" . . . evidence of a culture that involved the protection of powerful interests and resistance to change, and a pervasive culture of fear that deterred whistle-blowers."

As they say in Scandinavia, a fish rots from the head, and the failures revealed by the child abuse scandal are important to understanding why Jersey remains vulnerable to abuse by banks, law firms, company and trusts administration firms and other operating in the financial services sector. One senior Jersey official interviewed by TJN in early September 2017 summed it up as follows:

"The failure by the States of Jersey to adopt key [Clothier](#)²¹ recommendations relating to separation of powers reflects an instinct to adopt a defensive position when faced with scandals, which often means that matters of natural justice become secondary to protecting the island's good name."

The same official also commented that while senior politicians, including the island's current Chief Minister, have talked the talk about constitutional reform, including and especially separation of key powers, in practice there is no sign of genuine commitment to change.

There is also scant evidence that the judiciary is capable of independent action. This is partly due to the close relations between the legal and financial services industries, but also because of the intimate relations between legal professionals who grow up together in a small island, attend the same schools, work at the same firms, and prefer the easy life of collaboration rather than taking the high road of confrontation, which is such a necessary part of building a just society. This [‘elite affinity’](#)²² runs right the way through the judicial system down to the uniformed and non-uniformed police forces.

But the Jersey Way runs deeper than the absence of judicial independence. Jersey lacks most of the institutions of a democratic state. The parliamentary assembly is unicameral, without a second chamber charged with scrutiny of legislation. There are no political parties, meaning there is no possibility for electors to replace one party with another at election time. There is no formalized government and opposition along the Westminster model. Politicians who oppose key measures proposed by the Chief Minister and the Council of Ministers tend to work in isolation and without research backup.

The single local newspaper has been owned and controlled by senior politicians throughout decades. There are no think tanks, or other research institutions capable of providing independent and critical scrutiny. Campaigning civil society organizations with expertise in financial services are decidedly thin on the ground.

Political debate is typically personalized and tribal loyalties tend to override public interest. In ways reminiscent of the Soviet Union, dissenters are accused of having sinister motives and publicly described as traitors and enemies of the state. Conflicts of interest are rife, not least within law firms, which means that access to legal justice is generally unavailable to poor and vulnerable people, as was revealed by the decades of failure to support the victims of the child abuse scandal at Haute de la Garenne.

As former government minister Stuart Syvret commented to this author in August 2017:

“What Jersey represents is a total breakdown of any meaningful application of the rule of law, and the total absence of democracy.”

In other words, Jersey’s polity provides a perfect breeding ground for state capture by the powerful interests who dominate the island’s offshore financial services industry. In the course of

interviewing Mr Syvret TJN asked whether political accountability and governance on Jersey has improved in the past decade. His answer was typically trenchant: “If anything the processes of scrutiny have deteriorated. The suppression of genuine political opposition, which has been led by a totally conflicted judiciary, is worse than ever.”

The Jersey Way provides crucial cultural insights into why the island remains peculiarly unfit to the task of hosting an offshore financial centre. During TJN’s visit to Jersey in the late summer of 2017 we were shown evidence of a massive backlog of legacy clients of just one law firm. Compliance officials had flagged up numerous concerns. To date the law firm has done little or nothing to discard the clients. It is hard to avoid concluding that behind the sophisticated public relations from Jersey Finance, the industry lobby, much further progress is needed before Jersey can be given a clean bill of health.

Conclusion

For all of the above reasons, plus the continued lack of transparency of Jersey trusts and offshore companies, and despite the recent commitment to the new global Common Reporting Standard, we consider that the 2018 secrecy score of 65.45 demonstrates through legal fact and assessments by international institutions that Jersey remains an important secrecy jurisdiction – still ranked in the global top twenty – and continues to represent a threat to global good financial governance.

Sources and further reading:

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Endnotes:

- 1 This narrative report is based on information up to date at XXXX 2017, however all references to FSI scores or ratings reflect the 2018 results.
- 2 <https://www.jerseyfinance.je/media/PDF-Research/JERSEY'S%20VALUE%20TO%20BRITAIN%20-%20SUMMARY%20REPORT.pdf>; 31.1.2018.
- 3 <http://taxjustice.blogspot.lu/2013/06/jersey-90-of-our-business-is.html>; 31.1.2018.
- 4 <http://www.taxjustice.net/topics/finance-sector/finance-curse/>; 31.1.2018.
- 5 <http://www.jerseycareinquiry.org/>; 31.1.2018.
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- 16 <http://jmvlaw.com/recent-decision-concerning-asset-protection-trusts/>; 31.1.2018.
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- 19 <https://www.taxjustice.net/wp-content/uploads/2017/02/Trusts-Weapons-of-Mass-Injustice-Final-12-FEB-2017.pdf>; 31.1.2018.
- 20 <https://www.irishtimes.com/news/world/uk/children-in-jersey-care-homes-may-still-be-at-risk-1.3142143>; 31.1.2018.
- 21 <http://www.statesassembly.gov.je/Reform/Pages/ClothierReview.aspx>; 31.1.2018.
- 22 <https://soundcloud.com/populyst/talking-about-white-collar-prosecutions-with-jesse-eisinger>; 31.1.2018.

PART 2: JERSEY'S SECRECY SCORE

OWNERSHIP REGISTRATION

- 43% 1. Banking Secrecy
- 100% 2. Trust and Foundations Register
- 40% 3. Recorded Company Ownership
- 50% 4. Other Wealth Ownership
- 100% 5. Limited Partnership Transparency

LEGAL ENTITY TRANSPARENCY

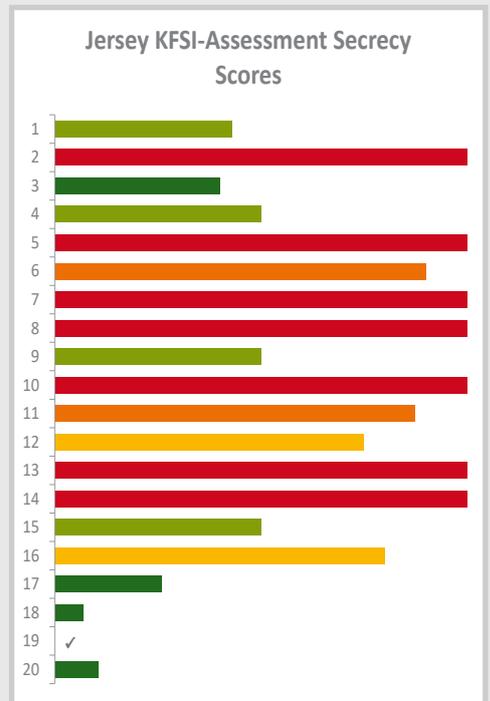
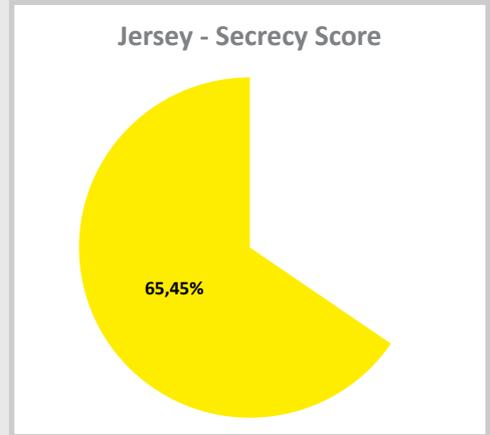
- 90% 6. Public Company Ownership
- 100% 7. Public Company Accounts
- 100% 8. Country-by-Country Reporting
- 50% 9. Corporate Tax Disclosure
- 100% 10. Legal Entity Identifier

INTEGRITY OF TAX AND FINANCIAL REGULATION

- 88% 11. Tax Administration Capacity
- 75% 12. Consistent Personal Income Tax
- 100% 13. Avoids Promoting Tax Evasion
- 100% 14. Tax Court Secrecy
- 50% 15. Harmful Structures
- 80% 16. Public Statistics

INTERNATIONAL STANDARDS AND COOPERATION

- 26% 17. Anti-Money Laundering
- 7% 18. Automatic Information Exchange
- 0% 19. Bilateral Treaties
- 11% 20. International Legal Cooperation



Notes and Sources

The ranking is based on a combination of its secrecy score and scale weighting (click [here](#) to see our full methodology).

The secrecy score of 65 per cent has been computed as the average score of 20 Key Financial Secrecy Indicators (KFSI), listed on the left. Each KFSI is explained in more detail by clicking on the name of the indicator.

A grey tick indicates full compliance with the relevant indicator, meaning least secrecy; red indicates non-compliance (most secrecy); colours in between partial compliance.

This paper draws on data sources including regulatory reports, legislation, regulation and news available as of 30.09.2017.

Full data on Jersey is available here: <http://www.financialsecrecyindex.com/database>.

To find out more about the Financial Secrecy Index, please visit <http://www.financialsecrecyindex.com>.