



Trust company business - financial crime training

In 2023 we undertook thematic assessment visits to assess compliance with the statutory and regulatory requirements regarding financial crime training and to consider the effectiveness of the training. Below we've broken down our observations to good practice, areas of improvement and key considerations.



Good practice we observed

- ▶ Training included a summary of the supervised person's risk appetite, business risk assessment and its financial crime strategy. Case studies were used to highlight the firm's key risks and provide an overview of the mitigating controls in place.
- ▶ Testing of employees' awareness is undertaken periodically, not only immediately following training being provided. Those who fail to achieve a minimum pass score are provided with additional training. Analysis of test answers is undertaken to identify any areas with a lower level of understanding and used to enhance future training.
- ▶ Training provided considers the Guidance Notes provided in Section 9 of the Handbook.



Areas of improvement we identified

- ▶ Training was not tailored to the supervised person, failed to cover relevant Jersey obligations and did not provide information on current financial crime techniques, methods and trends.
- ▶ Training, including induction training, was not provided to employees at appropriate frequencies or not at all. Role-specific training was not provided to the members of the board, the MLCO, the MLRO and deputy MLROs.
- ▶ Adequate arrangements were not in place to test the effectiveness of training or employees' awareness, either because testing arrangements were poorly designed and documented or testing was not being undertaken at all.
- ▶ Records of employee training were incomplete, as they did not record all training provided to employees and did not record scores achieved by employees.



Key considerations

- ▶ Do you review references to enactments in Jersey within your training material to ensure they remain up to date?
- ▶ Have you considered whether you provide training to employees at appropriate frequencies?
- ▶ Is your training tailored to your business and the risks it faces, relevant to the employees to whom it is delivered, and supplemented by relevant material published from time to time by the JFSC or FIU?