

Disclosable beneficial ownership information feedback paper

A feedback paper relating to the consultation paper on disclosable beneficial ownership.

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Consultation feedback

This paper reports on responses to consultation paper No. 2 2025 published on 2 May 2025.

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Contents

Consultation feedback	2
1 Executive summary	4
1.1 Overview.....	4
1.2 Feedback received.....	4
2 Consultation feedback.....	4
2.1 Feedback received.....	4
2.2 Question 1: Do you agree with the thresholds of beneficial ownership proposed?	5
2.3 Question 2: The categories are limited to beneficial owner and controller roles only. Do you think these categories and accompanying descriptions are sufficiently broad to capture all types of beneficial ownership and control?	7
2.4 Question 3: Do you agree that a specific indication of whether beneficial ownership/control is direct or indirect ownership is not required?.....	8
2.5 Question 4: Do you think these timeframes give industry sufficient time to comply?	9
2.6 Question 5: Do you have any other observations/comments in relation to these proposals?	9
2.7 Other comments	11
2.8 Registry comment	11
2.9 Next steps.....	11

1 Executive summary

1.1 Overview

- 1.1.1 On 2 May 2025 we issued the consultation on disclosable beneficial ownership information (the **CP/Consultation**), for your views on Registry's proposals to seek data on:
- › the extent and nature of beneficial ownership which would be subject to disclosure
 - › information about the levels of ownership collected
 - › timeframes for introduction of these new requirements
 - › any other observations or comments
- 1.1.2 The purpose of this paper is to provide feedback on the responses received to the Consultation.

1.2 Feedback received

- 1.2.1 Nineteen respondents provided comments either directly to us or indirectly via Jersey Finance Limited (**JFL**). JFL provided us with comments it had received from one respondent who was a law firm.
- 1.2.2 We received eighteen responses directly. The sector of the respondents is as set out below:
- 1.2.2.1 six trust company businesses/trust company services provider/ fund services businesses;
 - 1.2.2.2 four trade bodies, namely AIC, JATCO, JCOA, JFA (excluding the response from JFL);
 - 1.2.2.3 two banks;
 - 1.2.2.4 one Virtual Asset Service Provider;
 - 1.2.2.5 one other regulated financial services business; E.g. investment business, insurance, money service business, general insurance mediation business;
 - 1.2.2.6 three designated non-financial businesses and professions E.g. lawyers, accountants, estate agents; and
 - 1.2.2.7 one non-profit organisation;
- 1.2.3 Section 2 of this paper presents a summary of the substantive comments received and our response.
- 1.2.4 We are grateful to respondents for taking the time to consider and comment on the proposals.

2 Consultation feedback

2.1 Feedback received

- 2.1.1 This section summarises the comments received in response to the CP. Whilst not every comment received is individually listed, this section contains summaries of the most commonly made and pertinent comments in relation to each question posed and, as appropriate, our response to those comments.
- 2.1.2 The comments that were received can be split into those responding to a specific question posed in the CP and those on other matters. This section is structured on those lines.

2.2 Question 1: Do you agree with the thresholds of beneficial ownership proposed?

- 2.2.1 The thresholds proposed in the CP were:
 - 2.2.1.1 up to but not including 25%
 - 2.2.1.2 25-50% inclusive
 - 2.2.1.3 over 50% up to 75%
 - 2.2.1.4 over 75%.
- 2.2.2 The majority of respondents provided comments to this question. Comments made included.
 - 2.2.2.1 why was a threshold below 25% required?
 - 2.2.2.2 why were different thresholds above 25% needed?
 - 2.2.2.3 there was also concern that the “up to but not including 25%” represented a change in position by Registry with the mandatory filing of beneficial ownership information from 0.1-25%, representing a drop below the 10% threshold required on establishment; and
 - 2.2.2.4 why were four thresholds needed?
- 2.2.3 **Lower than 25%** -A couple respondents mentioned that the FATF, UK and the EU’s threshold was 25% or more so there is no need to go below this. A few of the respondents indicated that the industry norm was 10% as a starting point, although, then differed as to whether this was the lowest threshold or whether it would be reduced further where there was an increased financial crime risk.
- 2.2.4 **Higher than 25%** -Different suggestions were made by respondents to simplify the higher threshold, just having:
 - 2.2.4.1 over 25%,
 - 2.2.4.2 over 50%, which would indicate a party had control of the entity; or
 - 2.2.4.3 aligning the thresholds for special resolutions being (1) over 50% but less than two-thirds and (2) two-thirds or more.
- 2.2.5 **Change to Reporting requirements?** Clarity was requested that Registry had not changed position and that the 0-25% bracket does not mean every individual with ultimate ownership falling in the 0-25% bracket is reportable (i.e. a 0.1% ultimate owning individual). One respondent observed that they understood there are no significant changes being proposed to the current disclosure expectations.
- 2.2.6 **Need for four thresholds** -The benefit of the additional fields was queried by a couple of respondents, commenting having four thresholds provided no benefit One respondent indicated having fewer thresholds would reduce the administrative burden on TCSPs.
- 2.2.7 **No applicable percentage threshold**- one respondent felt that there will be roles where a percentage cannot be attributed. For example, controller other than through ownership of shareholding or other interest.
- 2.2.8 **Exact percentages** - Another respondent expressed support for proposals to collect the extent of beneficial ownership in registry but wanted exact percentages rather than thresholds as this would be more beneficial and have greater utility to Relevant Persons when dealing with ownership calculations within larger structures.
- 2.2.9 **How do the thresholds align with the AML regime and the FATF standard?** Some respondents reflected on the different requirements for customer due diligence, where

there could never be a minimum threshold and recognised that registry beneficial ownership disclosure obligations differ. Reference was made to the three-tier test and that Registry's control by other means would be a catch all where percentages were not known rather than reflect the second tier of the three-tier test.

- 2.2.10 **Guidance** -Further guidance was requested on how to calculate percentages of ownership, particularly in complex structures. Queries were raised on how percentages could be attributed to categories like control by other means.

2.2.11 **Reporting Logistics**

A query was raised by a few respondents on logistics and whether, every time an owner moved between bands, a filing within 21 days would have to be made. This was seen as an onerous requirements, particularly for funds and companies where shares changed hands frequently. Clarifying this aspect of reporting was particularly important to API users who wanted to ensure system development was undertaken once rather than having to make multiple changes.

- 2.2.12 **Exemptions** –One respondent wanted confirmation that the existing exemption for reporting beneficial ownership information for listed companies remained and was not impacted by these proposals. This is confirmed.

- 2.2.13 **Categories** -Some suggestions were made in the responses to this question regarding categories which are dealt with in Question 2

Our response

- 2.2.14 The FATF website states: "In March 2022, the FATF agreed on tougher global beneficial ownership standard in its Recommendation 24 by requiring countries to ensure that competent authorities have access to adequate, accurate and up-to date- information on the true ownership of companies." FATF in March 2023 updated its guidance to reflect this FATF Guidance on "[Beneficial Ownership of Legal Persons](#)". Part of this tougher standard is that "adequate" information must be "...sufficient to identify the natural person (s) who are the beneficial owner(s), and **the means and mechanisms through ownership, control or other means.**"

- 2.2.15 Registry have been assimilating how other Registries record the "means and mechanisms" of beneficial ownership. They have visited other Registries and reviewed the thresholds and categories of ownership recorded. Particular focus has been given to lessons learned and what other Registries have had to do to adapt during and post implementation. Jersey is not the first to introduce thresholds and categories of beneficial ownership information which is how the international standard has been interpreted across companies' registries.

- 2.2.16 **Lower than 25%/change in reporting requirements-** There is **no change** to the Registry reporting requirements as set out in the [existing guidance](#)

"a general threshold of 10% or more upon incorporation and 25% or more upon a change of beneficial ownership and control may be applied by corporate and legal entities registered in Jersey. However, it is important to be aware that this is by no means a set threshold.

A case-by-case risk assessment is required. The determination to be made must be in line with the AML Handbook. Therefore, the threshold will depend on the risk assessment conducted.

The risk assessment conducted must be on the relationship as a whole. For example, upon a change of beneficial ownership, where a regulated service provider views a 20% beneficial owner is high risk, the regulated service provider should consider registering the beneficial owner on the central register even though its interest is less

than the 25% threshold. This is in line with the regulated service provider's role as a first line of defence in respect of the prevention and detection of money laundering and the financing of terrorism."

The "up to but not including 25%" threshold was included to accommodate where lower thresholds were already reported or required due to the risk-based approach.

2.2.17 Higher than 25%/Exact Percentages/4 thresholds/ No applicable percentage threshold.

Registry intends to work with industry to workshop define the thresholds.

2.2.18 Differing obligations AML/CFT/CPF v Ownership in Registry/Categories the requirements for CDD and beneficial ownership are contained in different recommendations. As recognised, there is "no floor" for CDD. There are changes we can make to the categories of ownership, and we recognise that the "control by other means" should represent Tier 2 of the 3-tier test and will be making alterations to the categories. See the response to Question 2 below.

2.2.19 Guidance/Reporting Logistics - Registry intends to work with industry to workshop guidance that will be pragmatic and user friendly. At the same time registry will also provide further guidance on reporting requirements.

2.3 Question 2: The categories are limited to beneficial owner and controller roles only. Do you think these categories and accompanying descriptions are sufficiently broad to capture all types of beneficial ownership and control?

2.3.1 A list of categories was provided in the consultation paper and the majority of respondents agreed the categories were sufficiently broad to capture all types of beneficial ownership and control. The majority of respondents made comments and suggestions as set out below.

2.3.2 Controllers not beneficial owners A number of respondents wanted a category to record controllers who were not beneficial owners, for example directors who had control but no ownership interest.

2.3.3 Alignment with AML/CFT/CPF Requirements. Respondents requested that the registry description of categories align with the 3-tier test. One respondent did not understand the rationale for creating additional definitions of beneficial ownership over and above the three-tier test, in relation to which there is already guidance. Other respondents made points regarding the tiers:

Control by other means - At present where % is not known control by other means will be used rather than as the secondary limb of the 3-tier test. The term "control by other means" should align with that in the AML/CFT/CPF Handbook.

2.3.3.1 Control through positions held –it was queried whether the test is the same as for Tier 3 of the 3-tier test?

Another respondent wanted alignment with the passive investors guidance in the fund section of the AML/CFT/CPF Handbook.

2.3.4 Classes of shareholdings – One respondent noted that there was no distinction between classes of shareholdings – i.e. are all management shareholders to be reported and all participating members of all other share classes.

2.3.5 Guidance requested – additional guidance was requested on the categories which are open to interpretation, and

- 2.3.5.1 Characteristics to assess “control by other means” and what is meant by “significant decisions on behalf of the entity.” One respondent indicated additional clarity and alignment with the EU could be provided by adding examples such as: (i) having veto rights or decision rights over the entity; and (ii) making decisions regarding distribution of profits or shift in assets of the entity.
- 2.3.5.2 How to assess percentages applied where the category denotes “control” not ownership, for example to life tenants, settlors, protectors, council members and guardian of a foundation and contingent interest holder controllers.
- 2.3.5.3 How to use the categories to reflect complex ownership structures through intermediate layers.
- 2.3.5.4 How to reflect who nominees’ shareholders are holding shares on behalf of and logistics relating to reporting this relationship.
- 2.3.5.5 How should you report if multiple categories apply?
- 2.3.6 **Additional comments** - One respondent commented that the categories do not capture instances where there is a trust in the ownership structure.

Our response

- 2.3.7 We acknowledge and will address the comments regarding the categories and clarity regarding alignment with the three-tier test in the AML/CFT/CPF Handbook. We will consider adding additional categories to represent control where there is no ownership. Guidance will be produced in relation to the logistics of reporting and regarding percentages in relation to some categories. Other requests for guidance are noted and will be considered. We aim to work with industry to produce pragmatic and helpful guidance and would ask for volunteers to attend workshops.

2.4 Question 3: Do you agree that a specific indication of whether beneficial ownership/control is direct or indirect ownership is not required?

- 2.4.1 The majority of respondents agreed with the proposal. Eight respondents provided comments. One respondent recorded that they agreed with the proposals and had no further comments, and another felt the categories in question 2 were sufficient.
- 2.4.2 Two respondents who disagreed with the proposal felt that some indication was required to flag complex structures for due diligence purpose, particularly complex multiple fund vehicles.
- 2.4.3 One respondent queried whether we were sufficiently aligning with the EU in omitting an indication of indirect ownership and queried whether we were aligning with the international standard. Another was concerned that if additional information on indirect/direct ownership was likely to be required in the near mid term they would prefer to see this implemented now, so a global change could be made to systems using the API rather than have the overheads of additional changes.

Our response

- 2.4.4 We acknowledge the concerns on complex structures, and will consider what guidance can be provided.

We regularly consider our alignment with international standards, and the impact changes will have on industry for data collection and delivery. We aim to work with industry to produce pragmatic and helpful guidance and would ask for volunteers to attend workshops.

2.5 Question 4: Do you think these timeframes give industry sufficient time to comply?

- 2.5.1 The majority of respondents felt that the 1 January 2026 deadline for providing the information in annual confirmations for existing entities, and on establishments for new entities after that date, would not give industry sufficient time to conform. Although they are likely to have this information, collating and reporting it in this way would take time and required considerable changes, which would impact on costs, human resources, policies and procedures, training, and IT development (particularly to configure systems and transpose information).
- 2.5.2 Not all respondents specified how much more time was needed. Three respondents suggested 1 January 2027. One of these respondents suggested that this would align with the EU, and if Jersey implemented early, then the EU would have a year of competitive advantage. Others talked about needing 6 to 12 months to make changes to accommodate the new reporting requirement, from when the requirements were clear, and reporting documentation were finalised.
- 2.5.3 Respondents suggested that while they sought a delay to these changes, they could be implemented earlier for newly established entities. More time would be needed for existing entities where the information needed to be provided as part of the annual confirmation statements. The timings suggested varied.
- 2.5.4 A number of respondents took time to elaborate on why it would be logistically difficult for industry to meet the proposed timeframe, without clarity of API schema, guidance, and clear reporting requirements at an early stage.
- 2.5.5 Some respondents queried whether legislative changes could be made in time to provide for these changes by the proposed timeframe.
- 2.5.6 Another respondent also mentioned that the cost implications were unhelpful in the context of our and government's current work to ensure Jersey's competitiveness as an international finance centre.

Our response

- 2.5.7 We acknowledge industry concern regarding the logistics and timing of the implementation of these proposals. After discussions with government, it has been agreed that implementation of these proposals will not be included in the 2026 annual confirmation statements to give industry more time to make the necessary arrangements.
- 2.5.8 The delay will provide further opportunities to consider how other jurisdictions are implementing the standard. It will also, allow for additional time to undertake further work and engagement with industry on the categories, thresholds and will enable us prepare and share draft of guidance

2.6 Question 5: Do you have any other observations/comments in relation to these proposals?

- 2.6.1 Thirteen respondents provided comments and some **common themes** regarding the proposals were:

- 2.6.1.1 Concern re cost, impact on industry, clients, and competitiveness. One respondent queried if the lack of privacy might impact private wealth business in the island.
- 2.6.1.2 More time to implement the changes was needed,
- 2.6.1.3 Jersey is implementing the proposals too early, and the timing and proposals did not align with other jurisdictions, such as the EU and was this truly reflective of the FATF standard? One respondent requested a country comparison in relation to these proposed enhancements across existing competitor jurisdictions was provided as part of this feedback paper. The same respondent noted that Jersey was a global leader on transparency compared to other jurisdictions. They were keen to ensure any enhancements to the existing framework did not unnecessarily deviate from or otherwise "gold plate", existing international compliant frameworks.
- 2.6.1.4 These proposals are widening the difference between information required by the Registry and that required to meet the CDD obligations of Jersey's AML/CFT/CPF regime.
- 2.6.2 Proposals don't go far enough -A couple of respondents expressed support for the proposals and indicated they did not go far enough. One of those respondents, provided examples of why beneficial ownership and control disclosure was required, illustrating how obscuring ownership enables wrongdoers to take advantage of regimes and poses a serious threat to global financial transparency as well as Jersey's reputation on the global stage.
- 2.6.3 A few respondents made observations about data:
 - 2.6.3.1 **Data collection and rationalisation** – there was a preference for global changes so that data sets can be changed all at once. There was also a query whether this would have an impact of the supervisory risk data collected.
 - 2.6.3.2 **Data vulnerabilities** - A number of respondents expressed concern about the Registry holding additional data and referred to the previous data breaches and the ability to manage the increasing risks of infiltration. One respondent observed that registry was not transparent on the number of users to date, monitoring and ensuring legitimate use of data currently disclosed.
- 2.6.4 One respondent indicated the use of reliance meant entities did not know the underlying owners.
- 2.6.5 Some respondents reiterated comments made regarding thresholds, categories, disclosure of trusts and requests for more time to implement the proposals. One respondent queried the applicability of the proposals to legal arrangements and lack of disclosure of discretionary beneficiaries.
- 2.6.6 Another respondent queried whether this additional information would be available to Relevant Persons and how it could be accessed.

Our response

- 2.6.7 We have listened to industry concerns and the implementation of the proposals will not be introduced for the 2026 annual confirmation period. Jersey remains committed to aligning with international standards and will continue to engage with other Registries internationally to try as far as possible achieve alignment of categories and thresholds. We

note that there are ongoing international discussions regarding the balance to be struck between individuals right to privacy and transparency of beneficial ownership.

2.6.8 In terms of future developments, Jersey participated in the work to revise recommendation 24 and 25. We and government aim to continue to engage with the FATF and MONEYVAL, so we are at the forefront of any future developments regarding beneficial ownership.

2.6.9 During the intervening period we will work with industry to fine tune the proposals, produce further guidance on categories, thresholds, and reporting.

2.7 Other comments

2.7.1 Why was the option for anonymous responses not available re CP?

Our response

2.7.1 The smart survey required names to be inserted but some respondents inserted a dash, leaving out their name, so it is still possible to provide an anonymous response. The JFSC would appreciate if respondents could provide their details so that it can seek clarity on the responses if required.

2.8 Registry comment

Our response

2.8.1 Registry collects detailed information. For example, currently under a combination of the companies' law and the DPI Law Registry can seek authentication (identification & verification) of shareholders of 1%. Effectively the proposals in the CP, which will be modified by the feedback received, is to futureproof the Registry to provide a level of data access that aligns with other jurisdictions in compliance with the international standard and the government commitment.

2.8.2 We appreciate the feedback received and as indicated we will use the additional time provided to work together with industry to refine these proposals.

2.9 Next steps

As a result of industry feedback to this consultation, we will not be including the additional data fields in the 2026 annual confirmation period. Further work and engagement with industry on the categories and thresholds will take place over the coming months.

Glossary

Defined terms are indicated throughout this document as follows:

AIC	Association of Investment Companies
AML / CFT/CPF Handbook	Handbook for the prevention and detection of money laundering, the countering of terrorist financing, and the countering of proliferation financing.
beneficial owner	<p>of an entity means an individual who ultimately owns or controls the entity, or the individual on whose behalf a transaction is being conducted by the entity, including an individual who exercises ultimate effective control over the entity.</p> <p>Ultimate effective control over an entity, includes ownership or control exercised through a chain of ownership or by means of control other than direct control. (Disclosure Law Article 2)</p>
Commission Law	Financial Services Commission (Jersey) Law 1998
Companies Law	Companies (Jersey) Law 1991
CP/Consultation	The consultation paper on disclosable beneficial ownership information issued by the Registry on 2 May 2025
Disclosure Law/DPI Law	Financial Services (Disclosure and Provision of Information) (Jersey) Law 2020
entity	<p>any of the following bodies incorporated or established in Jersey:</p> <ul style="list-style-type: none"> › company (as defined in the Companies (Jersey) Law 1991) › foundation (as defined in the Foundations (Jersey) Law 2009) › incorporated limited partnership (as defined in the Incorporated Limited Partnerships (Jersey) Law 2011) › limited liability company (as defined in the Limited Liability Companies (Jersey) Law 2018) › limited liability partnership (as defined in the Limited Liability Partnerships (Jersey) Law 2017) › separate limited partnership (as defined in the Separate Limited Partnerships (Jersey) Law 2011) › any other prescribed body or person
EU	European Union
FATF	Financial Action Task Force
FSB/Fund Services Business	Fund Services Business, has the same meaning as in Article 1 of the Financial Services (Jersey) Law 1998, as amended

JATCO	Jersey Association of Trust Companies
JCOA	Jersey Compliance Officers Association
JFA	Jersey Funds Association
JFL	Jersey Finance Limited
JFSC	Jersey Financial Services Commission
MONEYVAL	MONEYVAL is a permanent monitoring body of the Council of Europe entrusted with the task of assessing compliance with the principal international standards to counter money laundering and the financing of terrorism and the effectiveness of their implementation, as well as with the task of making recommendations to national authorities in respect of necessary improvements to their systems
Registry	The Jersey Companies Registry, a division of the JFSC which holds and updates fifteen registers including Jersey companies, business names, foundations, partnerships, and security interests
relevant entity legislation	means: <ul style="list-style-type: none"> › Companies (Jersey) Law 1991 › Foundations (Jersey) Law 2009 › Incorporated Limited Partnerships (Jersey) Law 2011 › Limited Liability Companies (Jersey) Law 2018 › Limited Liability Partnerships (Jersey) Law 2017 › Separate Limited Partnerships (Jersey) Law 2011 › any other prescribed enactments
Relevant person	As defined in Article 1 of the Money Laundering (Jersey) Order 2008
TCB– Trust Company Business	Trust Company Business, has the same meaning as in Article 1 of the Financial Services (Jersey) Law 1998, as amended.
TCSP – Trust Company Service Provider	As defined in the FATF glossary and refers to activities/operations specified in paragraph 23 of Part 3 of Schedule 2 to the Proceeds of Crime Law.
Three-Tier Test	The “Three Tier Test” as set out in section 4 of the AML/CFT/CPF Handbook