

Have you met the deadline for VASP compliance in Jersey?

Insights - 21/06/2023

Virtual Asset Service Providers (VASPs) are now subject to Jersey's anti-money laundering, countering the financing of terrorism and countering proliferation financing (AML/CFT/CPF) regime after recent changes were made to align the regime more closely with Financial Action Task Force Standards. The transitional period for compliance expires on 30 June 2023.

VASPs are defined as persons carrying on the business of conducting certain activities or operations on behalf of other persons, including exchange between virtual assets and fiat currencies or between one or more forms of virtual assets, transfer of virtual assets (moving a virtual asset from one virtual asset address or account to another), safekeeping or administration of virtual assets or instruments enabling control of virtual assets, participating in and provision of financial services related to an issuer's offer and/or sale of a virtual asset.

Jersey's Proceeds of Crime legislation was amended at the beginning of the year. As part of the amendment, Jersey introduced a transitional period of six months to allow entities already operating an existing business conducting VASP activity in Jersey to register with the Jersey Financial Services Commission (JFSC) to allow them to continue conducting business in compliance with the new regime. This transitional period **expires on 30 June 2023**.

Actions to be undertaken during the transitional period include registration with the JFSC for AML/CFT/CPF supervisory purposes, applications by Virtual Currency Exchange Businesses following the revocation of the 'turnover' (regulatory sandbox) exemption and updating notifications for regulated entities conducting VASP activities.

New businesses that fall within Jersey's VASP regime, which began operating after 30 January 2023, must register with the JFSC before conducting any business in Jersey.

Ogier is working with the JFSC in relation to the issuance of new regulatory guidance for vehicles with exposure to a broad range of virtual assets (whether funds or special purpose vehicles),

which will set out the approval timescales and information to be contained in applications for consents under local securities and regulatory laws. The approach is consistent with the objective of mitigating the risks inherent to virtual assets and, accordingly, the framework is based on the authorisation of vehicles targeting sophisticated, professional or institutional investors.

For further information or advice on any specific circumstances, please get in touch with one of the key contacts listed.

About Ogier

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Regulatory information can be found under [Legal Notice](#)

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