

STATES OF JERSEY



Jersey

DRAFT DIRECTOR DISQUALIFICATION SANCTIONS (JERSEY) AMENDMENT LAW 202-

**Lodged au Greffe on 5th February 2026
by the Minister for External Relations
Earliest date for debate: 24th March 2026**

STATES GREFFE



Jersey

DRAFT DIRECTOR DISQUALIFICATION SANCTIONS (JERSEY) AMENDMENT LAW 202-

European Convention on Human Rights

In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000, the Minister for External Relations has made the following statement –

In the view of the Minister for External Relations, the provisions of the Draft Director Disqualification Sanctions (Jersey) Amendment Law 202- are compatible with the Convention Rights.

Signed: **Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter**
Minister for External Relations

Dated: 4th February 2026

REPORT

Executive Summary

The Director Disqualification Sanctions (Jersey) Amendment Law 202-, if adopted, will amend the [Companies \(Jersey\) Law 1991](#) (the “1991 Law”) and the [Limited Liability Companies \(Jersey\) Law 2018](#) (the “2018 Law”). The amendments provide that a person may not be appointed as a director of a company or as a manager of a limited liability company if the person is subject to director disqualification sanctions. This restriction does not apply if the person is acting in accordance with a licence issued under Article 5B of the [Sanctions and Asset-Freezing \(Implementation of External Sanctions\) \(Jersey\) Order 2021](#). This amending Law also updates the definition “director disqualification sanctions” in the 1991 Law and the 2018 Law to match the definition given in that Order.

1. Background

- 1.1 The draft Law proposes amendments to the Companies (Jersey) Law 1991 (the “CJL”) and the Limited Liability Companies (Jersey) Law 2018 (the “LLCJ”).
- 1.2 The Companies (Jersey) Amendment Law 202- was passed by the States Assembly on Wednesday 21 January 2026 and once in force will make amendments to the CJL and the LLCJ to provide for the automatic removal of a director of a Jersey company or a manager of a Jersey limited liability company (“LLC”) that has been designated for the purpose of director disqualification sanctions by the UK.
- 1.3 The draft Law would introduce a further prohibition on appointing persons subject to a Director disqualification sanctions designation as a director of a Jersey company or a manager of an LLC.
- 1.4 The draft Law would link these prohibitions with the existing sanctions licencing powers for Director disqualification sanctions provided by the Sanctions and Asset-Freezing (Implementation of External Sanctions) (Jersey) Order 2021 (the “Sanctions Order”). This licencing power reflects that contained in the corresponding UK legislation and would enable the Minister to authorise a person subject to Director disqualification sanctions to be appointed as a director of a Jersey company or a manager of an LLC, and to act as one, subject to any limitations contained in the licence.
- 1.5 It may sometimes be necessary to allow a person designated for the purpose of Directors Disqualification Sanctions to carry out prohibited acts. For example, where such a person is acting as a company director and removed under the sanctions, but that person is required to carry out certain specified acts to avoid harm to unrelated businesses.

2. Legislative provisions

- 2.1 Article 1: provides that a person must not be appointed as a company director if they are subject to director disqualification sanctions.
- 2.2 Article 2: provides that a person must not be appointed as a manager of an LLC if they are subject to director disqualification sanctions.
- 2.3 Articles 1 and 2: provide for the licencing powers in respect of company directors and managers of LLCs as described above in paragraph 1.4. These Articles would also update the definition of “director disqualification sanctions” in the CJL and LLCJ to match that used in the Sanctions Order.
- 2.4 Article 3: provides that the draft Law would come into force by Ministerial Order.

3. Coming into force

- 3.1 This Law may be cited as the Director Disqualification Sanctions (Jersey) Amendment Law 202- and comes into force on a day to be specified by the Minister by Order.

Financial and staffing implications

There are no financial and staffing implications for the States arising from the adoption of this draft Law.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.

Human rights

The draft Law has been reviewed by the Law Officers' Department to ensure compliance with the European Convention on Human Rights.

The notes on the human rights aspects of the draft Law in the **Appendix**, prepared by the Law Officers' Department, are included for the information of States Members. They are not, and should not be taken as, legal advice.

APPENDIX TO REPORT

**Human Rights Notes on the draft Director Disqualification Sanctions (Jersey)
Amendment Law 202-**

These notes have been prepared in respect of the draft Director Disqualification Sanctions (Jersey) Amendment Law 202- (the “**draft Law**”) by the Law Officers’ Department. They summarize the principal human rights issues arising from the contents of the draft Law and explain why, in the Law Officers’ opinion, the draft Law is compatible with the European Convention on Human Rights (“**ECHR**”).

These notes are included for the information of States Members. They are not, and should not be taken as, legal advice.

Article 6 ECHR

Article 6(1) of the ECHR provides as follows:

“In the determination of his civil rights and obligations or of any criminal charge against him, everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.”

The draft Law inserts the following provision into Article 78A of the CJL as a new paragraph (1A):

“A person must not be appointed as a director of a company if the person is subject to director disqualification sanctions.”

Further, the draft Law substitutes existing paragraph (3) of Article 78A of the CJL with the following provision:

“Paragraphs (1) and (1A) do not apply to anything done in accordance with a licence issued under Article 5B of [the Sanctions Order].”

The draft Law makes equivalent amendments to the LLC Law.

We consider that director disqualification sanctions are compatible with the ECHR as an essential tool in sanctions measures. Our reasoning is as follows.

It is understood that, from an ECHR perspective, director disqualification sanctions and the related processes involve “civil rights and obligations”. As such, an individual has a “civil right” to be able to be appointed as a director of a company (or as a manager of an LLC) in appropriate circumstances and subject to there being a legal basis for such a right. That said, a ban on a person being appointed a director or manager where that person is subject to director disqualification sanctions/measures is not considered to be a breach of that person’s human rights, provided that such a ban is implemented through a fair legal process and pursues a legitimate aim and such ban is proportionate to that aim.

The director disqualification sanctions/measures are implemented pursuant to the Principal Laws together with the Sanctions Order and such measures reflect equivalent provisions in force in England and Wales. These measures can be justified as a legitimate restriction aimed at protecting the rights and freedoms of others. Further, disqualification can be considered to be lawful because it is tied to an objective status or a prior legal finding (i.e., the disqualified person has been

designated for the purposes of director disqualification sanctions pursuant to the relevant UK legal processes relating to sanctions designation).

The measures can also be considered to be proportionate in order to achieve a key sanctions policy objective that, subject to the proviso referred to in paragraph 11 below, a person who has been designated under the relevant director disqualification legislation should not be able to be appointed as a director of a company (or a manager of an LLC).

Although a person that is subject to director disqualification sanctions does not have a direct right of appeal against such measures in the Jersey courts (as, in practice, a person will be designated for director disqualification sanctions under UK sanctions provisions and any appeal against that person's designation should be heard in the UK), human rights compliance is nonetheless maintained through the process by which an affected individual can, in certain limited circumstances, apply for a licence pursuant to the Sanctions Order.

EXPLANATORY NOTE

The Director Disqualification Sanctions (Jersey) Amendment Law 202-, if adopted, will amend the Companies (Jersey) Law 1991 (the “1991 Law”) and the Limited Liability Companies (Jersey) Law 2018 (the “2018 Law”). The amendments provide that a person may not be appointed as a director of a company or as a manager of a limited liability company if the person is subject to director disqualification sanctions. This restriction does not apply if the person is acting in accordance with a licence issued under Article 5B of the Sanctions and Asset-Freezing (Implementation of External Sanctions) (Jersey) Order 2021. This amending Law also updates the definition “director disqualification sanctions” in the 1991 Law and the 2018 Law to match the definition given in that Order.

This Law comes into force on a day to be specified by the Minister for External Relations by Order.



Jersey

DRAFT DIRECTOR DISQUALIFICATION SANCTIONS (JERSEY) AMENDMENT LAW 202-

A LAW to further amend the [Companies \(Jersey\) Law 1991](#) and the [Limited Liability Companies \(Jersey\) Law 2018](#).

<i>Adopted by the States</i>	<i>[date to be inserted]</i>
<i>Sanctioned by Order of His Majesty in Council</i>	<i>[date to be inserted]</i>
<i>Registered by the Royal Court</i>	<i>[date to be inserted]</i>
<i>Coming into force</i>	<i>[date to be inserted]</i>

THE STATES, subject to the sanction of His Most Excellent Majesty in Council, have adopted the following Law –

1 Article 78A (directors disqualified under sanctions regulations) of the [Companies \(Jersey\) Law 1991](#) amended

- (1) This Article amends Article 78A of the [Companies \(Jersey\) Law 1991](#).
- (2) After paragraph (1) there is inserted –
 - (1A) A person must not be appointed as a director of a company if the person is subject to director disqualification sanctions.
- (3) For paragraphs (2) and (3) there is substituted –
 - (2) For the purposes of this Article and Article 79, “director disqualification sanctions” has the meaning given in Article 5A(1) of the [Sanctions and Asset-Freezing \(Implementation of External Sanctions\) \(Jersey\) Order 2021](#).
 - (3) Paragraphs (1) and (1A) do not apply to anything done in accordance with a licence issued under Article 5B of that Order.

2 Article 28A (managers disqualified under sanctions regulations) of the [Limited Liability Companies \(Jersey\) Law 2018](#) amended

- (1) This Article amends Article 28A of the [Limited Liability Companies \(Jersey\) Law 2018](#).
- (2) After paragraph (1) there is inserted –
 - (1A) A person must not be appointed as a manager of a limited liability company if the person is subject to director disqualification sanctions.

- (3) For paragraphs (2) and (3) there is substituted –
- (2) For the purposes of this Article and Article 28B, “director disqualification sanctions” has the meaning given in Article 5A(1) of the [Sanctions and Asset-Freezing \(Implementation of External Sanctions\) \(Jersey\) Order 2021](#).
 - (3) Paragraphs (1) and (1A) do not apply to anything done in accordance with a licence issued under Article 5B of that Order.

3 Citation and commencement

This Law may be cited as the Director Disqualification Sanctions (Jersey) Amendment Law 202- and comes into force on a day to be specified by the Minister for External Relations by Order.