



HM Government



UK
FINANCE

Economic Crime Plan: Statement of Progress

July 2019 – February 2021

April 2021



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Contents

| | |
|--|-----------|
| Ministerial Foreword | 2 |
| Foreword from UK Finance | 3 |
| Introduction to the Economic Crime Plan | 4 |
| Forward Delivery Plan | 5 |
| The Threat from Economic Crime | 13 |
| Progress Updates | 14 |
| Strategic Priority One: Understanding the Threat and Performance Metrics (Actions 1-5) | 14 |
| Strategic Priority Two: Better Information-Sharing (Actions 6-10) | 15 |
| Strategic Priority Three: Powers, Procedures and Tools (Actions 11-19) | 16 |
| Strategic Priority Four: Enhanced Capabilities (Actions 20-32) | 17 |
| Strategic Priority Five: Risk-Based Supervision and Risk Management (Actions 33-41) | 19 |
| Strategic Priority Six: Transparency of Ownership (Actions 42-44) | 21 |
| Strategic Priority Seven: International Strategy (Actions 45-49) | 22 |
| Annex A – Economic Crime Plan Actions | 23 |

Ministerial Foreword

The UK has experienced a significant period of change since the publication of the Economic Crime Plan in July 2019. Yet the Plan's mission to strengthen the UK's whole system response to economic crime remains as important as ever. The Covid-19 pandemic has generated new opportunities for economic criminals and other hostile actors to exploit, highlighting the threats our financial system and our wider institutions face. We must continue to do all we can to ensure there is no safe space in the UK for those wishing to commit economic crimes.

We have made progress on several fronts. We have improved our understanding of the threat, including through the recent publication of the UK's third National Risk Assessment of Money Laundering and Terrorist Financing. Information has been better shared across the system, through the National Economic Crime Centre's 'Fusion Cell' in 2020 that drove forward decisive operational action to identify, disrupt, and arrest fraudsters and money launderers.

Separately, we have updated our anti-money laundering requirements on firms helping close previous vulnerabilities in our system. Our efforts to improve corporate transparency have also progressed with proposals on reforming Companies House published in September last year. And reform of the Suspicious Activity Reports regime continues apace, with IT transformation commenced and dedicated staffing uplifts to the UK Financial Intelligence Unit and Regional Organised Crime Units already producing new investigations into organised criminals. We have also allocated further funding to realise our ambition – the Spending Review 2020 allocated £20 million to BEIS for Companies House reform, and an extra £63 million to the Home Office for economic crime, demonstrating the government's continued commitment to this agenda.

Despite this positive start, we know there is much to do to, especially on fraud, to ensure the UK

remains a transparent, safe and open place for global business. We are committed to driving this agenda forward across government and the private sectors, and with international partners during our G7 Presidency this year.

Rt. Hon. Priti Patel MP
Home Secretary



Rt. Hon. Rishi Sunak MP
Chancellor of the Exchequer



Foreword from UK Finance

Over a year on from the publication of the Economic Crime Plan, it is right to give pause and reflect on an unprecedented year. The impact of Covid-19 both domestically and internationally continues to be profound and far reaching on the private sector.

Despite this, criminals have continued to seek to maximise their opportunities, targeting the most vulnerable in our society with the same technology that has supported a shift to home working and kept families connected. They have ruthlessly exploited their victims, using number spoofing, stealing data, advertising fake investment firms, attempting to defraud the government, groomed young adults to act as money mules, adapted and sought to find new ways of selling drugs or profiting from child sexual exploitation online.

The importance of the Economic Crime Plan, however, has not changed. If anything, we have been reminded why we need to build on what has been achieved. These threats cannot be tackled without the support and investment of the private sector.

We have delivered a lot over the last year. A public private strategic threat assessment and detailed deep dives into key threats have guided our work. We have jointly begun to put in place the foundations for longer term transformation, with an overhaul of the Suspicious Activity Reporting system, reviewing tools and powers required to make legislation fit for purpose in detecting and disrupting criminals. Difficult conversations are needed at times, but the motives and commitment to work together as a public private partnership remain as strong as ever across all sectors to help prevent economic crime.

We all want to ensure the UK has a strong competitive advantage as the cleanest and most transparent place to do business in the world and where customers are protected. The private sector needs to be helped to better understand

and manage financial crime risks, in operating in new and emerging markets, be domestically and internationally more confident, close vulnerabilities and to use technology against the criminals who seek to commit such crimes.

One year on, the Plan's purpose, ambitions and the benefits of our shared work all remain the right ones. We should not be shy about why we do this or the benefits of public private partnerships. We have done a lot – but still have a long way to go.

**Bob Wigley, Chairman
UK Finance**



Introduction to the Economic Crime Plan

1.1 In July 2019, the first Economic Crime Plan (2019-2022) was published¹, setting out how the UK's public and private sectors would work together to confront economic crime through seven strategic priorities and 52 actions. Economic crime is a significant threat to the UK, and impacts:

- Our national security. Illicit finance, unchecked, undermines open societies and underpins all serious and organised crime, including the illicit drugs trade which corrodes our communities, and which costs the UK at least £37 billion per annum².
- Our global reputation and influence. The volume of money laundered in and through the UK undermines our reputation as a fair, open, rules-based economy that instils business confidence, and gives our citizens assurance in their institutions.
- Our prosperity and economic resilience. Money laundering impacting the UK is estimated at hundreds of billions per annum and has a distorting effect on growth and productivity. Fraud poses a direct threat to the UK's post-Covid economic recovery, eroding consumer confidence and costing individuals and businesses billions each year.

1.2 This update comes at the midpoint of the Plan, covering the period from July 2019 to February 2021, and highlights some of the key achievements by the public and private sectors in delivering against the seven strategic priorities. As set out in the following sections, we have taken positive steps to understand, protect against, target and disrupt various forms of economic crime. Overall, we have now delivered 20 of the 52 actions in the Plan, with plans in place to complete the remaining items in line with the Plan. A full breakdown of progress against each action

¹ [Economic Crime Plan \(2019-2022\)](#).

² Home Office, 'Understanding Organised Crime 2015/16: Estimating the Scale and the Social and Economic Costs', second edition, Research Report 103, February 2019.

can be found in Annex A.

1.3 On 17 February 2021, the Economic Crime Strategic Board (ECSB) discussed whether the Plan's actions remained the appropriate interventions to respond to the economic crime threat. The Board agreed the Plan's actions must continue to be implemented but, in some areas, further momentum was needed.

1.4 Tackling economic crime, illicit finance and fraud continues to remain a priority of the Government's agenda, as set out in the March 2021 Integrated Review which highlights the ongoing necessity for more to be done.³

1.5 The Forward Delivery Plan section of this document (see pages 10–14) details the further actions the ECSB commissioned, as well as underlying deliverables for these actions, and delivers on the Integrated Review's mandate to:

- Increase the number of trained financial investigators within our police forces;
- Overhaul our SARs regime to ensure critical intelligence informs their investigations;
- Bolster the National Economic Crime Centre (NECC);
- Introduce legislation that tackles economic crime, including the use of UK corporate structures in facilitating high-end money laundering; and
- Use our Presidency of the G7 and our strong relationships with other major financial markets, such as the US, to maximise our collective impact.

1.6 Looking ahead, to enable the public and private sectors to work most effectively together to share information and collectively prioritise resources, we need new powers that are underpinned by a Sustainable Resourcing Model

³ [HM Government, 'Global Britain in a competitive age: The Integrated Review of Security, Defence, Development and Foreign Policy', March 2021.](#)

(SRM), and a strong focus on developing mechanisms that enable industry to refocus effort onto activity that produces more valuable outcomes.

1.7 We will take the opportunity of the UK's Presidency of the G7 to strengthen the global response to illicit finance and combat priority threats to the integrity of the international financial system. A G7 focus on improving transparency, promoting the implementation of global standards and boosting asset recovery efforts will assist law enforcement in tackling the threat of inward-bound flows of illicit finance, as well as supporting UK trade and prosperity.

1.8 We know that more needs to be done to tackle the growing threat of fraud, so that we can close the operational, legal and regulatory vulnerabilities that are exploited by criminals. We need a stronger defensive ecosystem against fraud, leveraging public and private capabilities to disrupt fraudsters and design out fraud. This includes bringing in a broader range of private sector firms, including those outside the regulated sector, into the public private partnership to tackle economic crime. Given the scale of the threat, we cannot rely on a stronger law enforcement response alone. We need to step up our collective prevention of fraud and scams to stop criminals from offending.

1.9 As well as closing the vulnerabilities in technology that are exploited by criminals, we also need to look at how we can better harness and enable the use of technology to detect, disrupt and deter crime. This will build on existing activity to consider how to make effective use of new technology, such as the public private Innovation Working Group which has looked at the role that privacy enhancing technologies could play in strengthening private sector measures to tackle money laundering. From having the right technical and legal framework to trace stolen money at pace through the system, to examining how digital identity products can strengthen compliance and reporting, technology and innovation will be key to helping us respond to the growing threats.

1.10 We continue to work with key partners across the anti-money laundering and counter financing of terrorism (AML/ CFT) supervision regime, including the statutory supervisors, the

professional body supervisors, and the Office for Professional Body AML Supervision (OPBAS), to improve the risk-based supervision of regulated entities in the UK. Progress against the Plan's actions is positive, and the Treasury will issue a Call for Evidence this year seeking views on how to further improve the effectiveness of the supervisory regime.

1.11 Furthermore, we are also exploring opportunities to introduce legislation that will strengthen the response to economic crime. This will ensure that law enforcement, the justice system and the private sector have the necessary tools to keep pace with evolving criminal threats. We aim to consult on a number of proposals later this year.

1.12 Separately to the Economic Crime Plan, the UK also launched the Global Anti-Corruption sanctions regime on 26 April which gives us the powers to impose asset freezes and travel bans on those involved in serious corruption globally. It marks a significant step forward for the UK's global leadership in combating corruption around the world and promoting fair and open societies.

Forward Delivery Plan

1.13 At the February 2021 ECSB, Board members agreed the need to further develop an ambitious vision that would deliver a comprehensive economic crime response. This would be underpinned by seven actions set out below, focusing on joint public and private delivery to target public and private resources over the remainder of the Economic Crime Plan. These build on the original actions within the Economic Crime Plan and further step up our level of ambition

- Action 1: Design and deliver a comprehensive Fraud Action Plan;
- Action 2: Bolster public private operational action to tackle known vulnerabilities enabling the flow of illicit finance within and out of the UK;
- Action 3: Improve the effectiveness and efficiency of the whole system response to economic crime, increasing high value intelligence to law enforcement and reducing low value activity that costs

business and delivers little benefit;

- Action 4: Continue to deliver SARs reform, including the next stages of the rollout of the new IT infrastructure and the increase in UKFIU staffing;
 - Action 5: Finalise the Sustainable Resourcing Model to support economic crime reform;
 - Action 6: Develop legislative proposals to tackle fraud, money laundering, seize more criminal assets, and to strengthen corporate transparency (e.g. Companies House reform); and
 - Action 7: Capitalise on the G7 Presidency to strengthen the overall international response to illicit finance and anti-corruption.
- Improve intelligence;
 - Arrest the biggest players;
 - Increase enforcement;
 - Safeguard victims and change public perceptions

1.14 Set out in the table below are a series of overarching deliverables that will underpin delivery of the seven actions. As these expand on the original 52 actions, the Public Private Steering Group will continue to monitor progress as part of its oversight of the Economic Crime Plan, enabling a whole system response.

1.15 The ECSB agreed that a Fraud Action Plan will be developed by the government, private sector and law enforcement and will be published following the 2021 Spending Review. The ECSB approved the following framework for the Action Plan, for which the initial one-year deliverables are presented below:

- Build stronger leadership;
- Restrict opportunity;
- Disrupt the market;



1. Design and deliver a comprehensive Fraud Action Plan

Leadership

| Deliverables | Due By | Lead |
|---|---------------------------|------------------|
| Develop a Fraud Action Plan for 2022-2025 that sets out our national approach to tackling fraud, placing the NECC at the heart of the response. | Post-Spending Review 2021 | Home Office (HO) |

Restrict Opportunity

| Deliverables | Due By | Lead |
|---|---|--|
| <p>Strengthen our oversight of industry collaboration with government by relaunching the Joint Fraud Taskforce as a Ministerial-chaired forum, focused on outcomes that protect the public.</p> <p>Enhance our public-private partnership approach to fraud by developing sector charters with industry to design out fraud at source.</p> <ul style="list-style-type: none"> • First tranche: retail banking, telecommunications and accountancy. • Second tranche: to include Ministerial engagement with social media and 'big tech' representatives. <p>Explore how the full range of sectors who create fraud vulnerabilities could be involved in tackling this issue, including through legislation.</p> | <p>Joint Fraud Taskforce relaunched by October 2021 with Ministerial chair</p> <p>Charters delivered throughout 2021, overseen by the new Joint Fraud Taskforce</p> | <p>HO, with support from Department for Digital, Culture, Media & Sport (DCMS)/ HM Treasury (HMT)/BEIS</p> |
| Identify links between digital identity products and wider economic crime reform. | December 2021 | UK Finance |
| Launch a public consultation on measures to enhance how online advertising is regulated in the UK, including considering further regulation to tackle harms including fraud vectored through misleading or fake advertising. | December 2021 | DCMS |

Disrupt the market

| Deliverables | Due By | Lead |
|--|------------|------------|
| Building on the 2020-2021 pilot, deliver innovative approaches to reducing criminals' ability to exploit online infrastructure and communication techniques to enable or commit frauds using National Cyber Security Centre (NCSC) capabilities. | March 2022 | NECC/ NCSC |

Improve intelligence

| Deliverables | Due By | Lead |
|---|--|----------------------------------|
| Agree and begin delivery of the approach for the next generation fraud and cyber crime reporting and analysis service. | July 2021 | City of London Police (CoLP)/ HO |
| Enhance the National Crime Agency's (NCA) data and intelligence and capabilities to respond to online threats, identify links to Organised Crime Groups and support development of the 2022-2025 Fraud Action Plan. | March 2022 | NCA/ NECC |
| Improve the coordinated response to and dissemination of Serious Fraud Office's (SFO) reporting and analysis in key threat areas through the SFO's newly developed SFO Control Strategy. | Review control strategy by February 2022 | SFO |

Arrest the biggest players

| Deliverables | Due By | Lead |
|---|---------------|---|
| Scope a pilot for a national cyber crime force focused on fraud that will deliver more fraud investigations and disruptions, and a more coordinated response to fraud across law enforcement. | March 2022 | NCA/ NECC |
| Pilot dedicated fraud investigation teams in four ROCUs throughout England and Wales. | March 2022 | CoLP, with National Police Chiefs' Council (NPCC) |

Increase Enforcement

| Deliverables | Due By | Lead |
|--|----------------|-------------------------|
| Review whether additional legislation or changes to sentencing are required to address the increasing scale and nature of fraud. | September 2021 | HO/ Ministry of Justice |
| CoLP to work with Police and Crime Commissioners and police forces to develop their capability to respond to fraud within existing capacity. | Summer 2021 | HMICFRS/ CoLP |
| Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services. (HMICFRS) to publish an update on progress against 2019 report "Fraud: Time to Choose". | March 2022 | |
| Develop proposals with UK Finance on how tackling money mules could be used as a route to disrupt fraud profits. | December 2021 | HO/ UK Finance/ NECC |

| | | |
|---|------------|--------------------------------|
| Implement an improved prioritisation process for the most serious and organised frauds. | March 2022 | NECC with CoLP and SFO support |
|---|------------|--------------------------------|

Safeguard victims and change public perceptions

| Deliverables | Due By | Lead |
|--|---------------|---|
| Create a new public engagement hub in the NECC to bring together the existing work to educate the public and better understand what interventions work best. | March 2022 | NECC |
| Review the national support provided to fraud victims and understand what works to support the specific needs of those acutely impacted by fraud, including establishing a national working group. | December 2021 | HO/ National Trading Standards/ BEIS/ SFO |
| Test innovative approaches to fraud victim support throughout 2021-2022, including by expanding National Trading Standards fraud multi-agency safeguarding hubs (MASH) across England and Wales. | December 2021 | |

2. Bolster public private operational action to tackle known vulnerabilities enabling the flow of illicit finance within and out of the UK

| Deliverables | Due By | Lead |
|--|--|------|
| <p>Building on Action 20⁴, the NECC Public Private Operational Board will establish public private 'cells' focused on the shared threat priorities as agreed at the ECSB to:</p> <p>Identify and improve risk management of unregistered Money Service Businesses (MSB);</p> <p>Improve understanding of the financial footprints of Over the Counter brokers of crypto assets;</p> <p>Improve understanding the shared threat picture of cloned website and identification of disruption opportunities; and</p> <p>Create an improved evidence based of the role of social media in investment frauds.</p> | <p>Establishment of first tranche of cells by end April 2021</p> <p>Agreed public private action by end October 2021</p> | NECC |

⁴ This action committed to developing the NECC as a genuine public private hub for combatting serious and organised economic crime.

3. Improve the effectiveness and efficiency of the whole system response to economic crime, increasing high value intelligence to law enforcement and reducing low value activity that costs business and delivers little benefit

| Deliverables | Due By | Lead |
|--|---------------|------------|
| Building on the Economic Crime Plan Action 6 ⁵ , we will consult on legislative proposals for an information sharing gateway to enable businesses to share information and intelligence between themselves to prevent and detect more crime. | Autumn 2021 | HO |
| Develop legislative and non-legislative proposals, as part of Action 30 ⁶ , to improve the effectiveness of Defence Against Money Laundering (DAML) and SAR reporting, including exemptions for ineffective DAML reporting and establishing a SARs Advisory Group to make recommendations for continuous improvement to the regime. | Autumn 2021 | HO |
| Building on Action 33 ⁷ of the ECP, HMT will issue a Call for Evidence to inform the upcoming Review of the Money Laundering Regulations and OPBAS Regulations. ⁸ This will seek views on how the UK's regulatory and supervisory regime can most effectively tackle money laundering and terrorist financing, while reducing any unnecessary burdens on businesses. | Summer 2021 | HMT |
| Building on the proposals from the Information-Sharing Expert Working Group, develop detailed Joint Money Laundering Steering Group (JMLSG) guidance covering low value transaction monitoring. This will seek to reduce low value activity and provide more direction on the governance of transaction monitoring systems. | December 2021 | JMLSG/ HMT |

⁵ Review barriers to information sharing, powers and gateways.

⁶ This action committed to delivering the first tranche of SARs IT transformation and designing the target operating model for the future of the SARs regime.

⁷ Review the MLRs and OPBAS Regulations.

⁸ Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017.

4. Continue to deliver SARs reform, including the next stages of rollout of the new IT infrastructure and the increase in UK Financial Intelligence Unit staffing

| Deliverables | Due By | Lead |
|---|-------------------------------|---------------------|
| Complete the final phase of recruitment for additional financial investigators in Regional Organised Crime Units (ROCU), dedicated to SARs analysis to disrupt criminals and increase asset recovery. | October 2021 | HO |
| Continue the UK Financial Intelligence Unit (UKFIU) staff uplift to a total 70 additional full time equivalents (subject to funding), increasing UKFIU staff capacity from 120 to 190 to gather, analyse, and disseminate SARs. | Ongoing through 2021 and 2022 | NCA with HO support |
| Deliver a new digital service for SARs reporting and analysis, including search, data visualisation and analytics. | Spring 2022 | NCA with HO support |

5. Finalise the Sustainable Resourcing Model to support economic crime reform

| Deliverables | Due By | Lead |
|--|--------------------------------|--------------------------|
| Publish the Government response to the Economic Crime Levy consultation. | Summer 2021 | HMT |
| Through the Asset Recovery Incentivisation Scheme (ARIS) in FY21/ 22 boost investment in core asset recovery teams, technology, and innovative projects to develop new approaches to recover criminal assets. ⁹ | April 2021 | HO |
| Finalise policy development for legislative proposals to unlock suspended funds. | Autumn 2021 | HO |
| Draft and publish legislation needed to establish the Economic Crime Levy. | End of 2021 | HMT |
| Consider future HMG spending for economic crime. | As part of the Spending Review | HO with support from HMT |

⁹ The Asset Recovery system uses the Proceeds of Crime Act (POCA) 2002 to recover the proceeds of crime through confiscation or civil recovery and remit these funds to Her Majesty's Government and POCA Agencies, through the Asset Recovery Incentivisation Scheme (ARIS). A 'top slice' of ARIS funds is set aside at the start of each year to invest in key capabilities and result in improved asset recovery performance.

6. Develop legislative proposals to tackle fraud, money laundering, to seize more criminal assets, and to strengthen corporate transparency

| Deliverables | Due By | Lead |
|--|----------------|------|
| A consultation on updates to the Money Laundering etc. Regulations 2017 will be issued, seeking to ensure the UK remains responsive to the latest changes in international standards on money laundering and terrorist financing, for example on crypto assets. ¹⁰ | Summer 2021 | HMT |
| Building on Action 12 ¹¹ , launch a consultation on economic crime proposals, with a view to bringing forward legislation when parliamentary time allows. | Autumn 2021 | HO |
| Progress corporate transparency reforms, to build on Action 42 ¹² , including consideration of responses to the consultations on the reform of the registrar's powers to query information; the quality of financial information on the companies register; and the implementation of the ban on corporate directors. | September 2021 | BEIS |

7. Capitalise on the G7 Presidency to strengthen the overall international response to illicit finance and anticorruption

| Deliverables | Due By | Lead |
|--|---|---|
| Strengthen international action against corruption and illicit finance by capitalising on our presidency of the G7. This would promote action and agree commitments across the finance and interior ministerial meetings on transparency, asset recovery and implementation of international standards to build collective security, prosperity and trust in our institutions. | Ministerial Meetings: May 2021 (Finance) June 2021 (Leaders) September 2021 (Interior) | HO/ Foreign Commonwealth and Development Office (FCDO)/ HMT |

¹⁰ This consultation will focus on a number of time sensitive or mature proposals for updating the Money Laundering Regulations 2017 and is separate to the broader call for evidence on the MLRs that will be issued alongside it.

¹¹ The action committed to considering legislative changes to improve the Proceeds of Crime Act.

¹² The action committed to reforming Companies House.

The Threat from Economic Crime

2.1 Economic crime is a pervasive and clandestine force in society. Serious and Organised Crime, fuelled by economic crime, directly and indirectly harms countless people across the UK. It helps put drugs and firearms on our streets and is linked to the exploitation of some of the most vulnerable citizens here and abroad. It can be harnessed by hostile actors and puts citizen confidence in our institutions at risk.

2.2 Since the publication of the Economic Crime Plan in July 2019, wider developments have influenced the extent and nature of the economic crime threat. The Covid-19 pandemic has led, not only to a shift in how people and businesses work, but also how economic criminals operate. This includes some of the highest harm and systematically disabling activities including:

2.2.1 **Fraud:** Fraud is estimated as the most common crime type, and accounts for over a third of all crime in total¹³. A growing reliance on online banking, e-commerce and virtual communication has increased the reach of criminals, broadened their victim base, and enabled fraud to be committed at scale with ease. Many fraudsters quickly adapted in 2020 by moving activity to online platforms and increasing their use of technology to enable fraudulent activity. This is likely to have contributed to an increase in reported incidences of high harm frauds, such as investment fraud and romance fraud, compared to pre-pandemic levels.¹⁴ Although it is not yet clear whether this is part of a long-term trend that will continue post-pandemic.¹⁵

2.2.2 **Money Laundering:** Whilst still relatively low in relation to other money laundering methodologies, evidence is emerging of increased use, spurred on by Covid-19, of crypto assets to launder funds across a range of serious and organised crime types. The overall money laundering threat remains high and relatively unchanged, with the possibility of hundreds of billions being laundered within and through the UK every year.

2.2.3 **Public Sector Fraud:** Since March 2020, we have also seen the emergence of fraud targeting public sector Covid-19 stimulus measures as a significant risk. There are over 175 public sector schemes announced to support business and individuals through the pandemic, and there is an inherent risk that fraudsters will increasingly look to exploit these to their own advantage.

¹³ Telephone Crime Survey for England and Wales (TCSEW), year ending September 2020; Office for National Statistics.

¹⁴ Offences recorded by Action Fraud, as reported in Crime in England and Wales, year ending September 2020; Office for National Statistics.

¹⁵ [NCA's National Strategic Assessment 2020](#).

Progress Updates

Strategic Priority One: Understanding the Threat and Performance Metrics (Actions 1-5)

3.1 To best target economic criminals, we need to continuously develop our understanding of the threat they pose, and how they operate. The UK's Third National Risk Assessment of Money Laundering and Terrorist Financing (NRA), published in December 2020, assesses the risk of newly regulated sectors and represents a significant step in helping us achieve this goal¹⁶. The evidence base for the NRA draws on existing assessments and data from UK law enforcement, supervisors, government departments, industry bodies and private sector firms to provide a whole system view. This assessment will inform further measures, including development of legislative proposals, that we will put in place to disrupt and deter criminals and prevent illicit finance. We are now reflecting on how to fill those remaining information gaps to ensure we have a more comprehensive evidence base on which to draw for the next assessment. This thinking is accompanied by a new research strategy and performance framework which will inform our understanding of efforts to combat economic crime. The new research strategy has now been approved and published alongside this statement.

3.2 An integral element of developing a mutual understanding of the threat is the sharing of knowledge and expertise between the public and private sectors. The NECC has released three public private threat assessments, developed jointly with experts across industry, covering the broad economic crime landscape and more focused assessments on MSB's led by HMRC and Trust and Company Service Providers (TCSP). This work is informing the risk decisions of private sector organisations and has helped law enforcement to bear down on the criminals who abuse these businesses to facilitate economic crime. Ten further National Assessment Centre (NAC) assessments, including those that covered

how threats were changing under the pandemic, were shared with the private sector in the Fusion Cell in 2020, in addition to the public private assessments. The NECC has also committed to sharing all relevant NAC economic crime assessments with private sector partners, at an appropriate level, and to include private sector input where there is an intelligence gap or an identified relevant interest.

3.3 The public private partnership has also been working closely with civil society to establish a better understanding of the potential dangers we face and how to deal with them, for example through the recently established Civil Society Organisations Steering Group which will provide independent commentary to future meetings of ECSB. Royal United Services Institute (RUSI) publishes quarterly updates on progress against the Plan commitments on their website.¹⁷

3.4 The NECC is reforming its public private operating model in 2021 to develop the NECC as a public private hub and maximise the use of our collective resources to disrupt and prevent economic crime. Strategic direction and oversight are provided by the new Public Private Operational Board (PPOB), which has defined the scope and objectives for NECC public private activity. The creation of public private threat groups within a newly expanded Joint Money Laundering Task Force (JMLIT) will enable better coordination and understanding of the threat picture, and prioritisation and measurement of our joint activity.

3.5 Over the next 18 months, we will continue to develop our understanding of the economic crime landscape in tandem with the private sector, including through the publication of the UK's first Proliferation Financing NRA and further public private threat assessments.

¹⁶ [National risk assessment of money laundering and terrorist financing 2020.](#)

¹⁷ [Economic Crime Plan Online Tracker.](#)

Strategic Priority Two: Better Information-Sharing (Actions 6-10)

4.1 Information sharing across the public and private sectors allows for more effective detection and prevention of criminality. In May 2020, the government made clear its support for increased work on information sharing within the private sector through the publication of the statement on Cross Border Sharing within Corporate Groups.¹⁸

4.2 The NECC's Fusion Cell was an example of reacting quickly to facilitate public private information sharing at pace. Set up in April 2020, and co-sponsored by Lloyds Bank, the Cell brought together over 30 participants from the public and private sectors to share information relating to the changing economic crime threat posed by Covid-19 and to identify targets for further action. Intelligence shared via the Cell enabled institutions to subject customers to enhanced monitoring. In one example, two organisations began closely monitoring 1000 customers, after sharing information which helped to better identify patterns of behaviour to assess activity. Relationships brokered via the Cell also enabled some banks to more quickly assess where large amounts of legitimate funds are being moved, to stop them being flagged as possibly suspicious. Work conducted in a sub-group of the Fusion Cell, focused on cash-based money laundering, allowed for additional risk factors to be identified and shared with participants, as well as the tasking of some operational activity, which remains ongoing. The Cell also facilitated work to disrupt investment fraudsters by identifying accounts and transactions linked to investment fraud. These improvements are being embedded into business as usual through the PPOB.

4.3 In July 2020, the Accountancy Engagement Group, alongside the public private Intelligence Sharing Expert Working Group (ISEWG), put forward proposals to improve information sharing and AML effectiveness aimed at enabling private to private information sharing. These could help prevent criminals, who have been exited from the banking system, or refused services for suspicious of financial crime, from moving

¹⁸ [Cross-border information-sharing within corporate groups.](#)

between different businesses to continue their illegal activity elsewhere. Further proposals focusing on rebalancing regulated sector AML resource towards higher value activities and reforming the DAML reporting regime are also being developed with both non-legislative and legislative options being considered. Additionally, work has been carried out by parts of the private sector to improve information flows and to share intelligence in a sector-focused manner with the NCA. This includes work by the Accountancy and Legal Sector Expert Working Groups on fraud typologies and looking at how to make amber alerts more relevant to their respective sector, such as producing Indicators of Modern Slavery and Human Trafficking in the accountancy sector.

4.4 The benefits of further information sharing can be seen operationally. In the six months from July to December 2020, referrals through JMLIT have resulted in or contributed to: 26 arrests, 105 suspects identified, 910 accounts identified previously unknown to law enforcement, over £4.5 million restrained or seized and 454 SARs filed. JMLIT also issued eight Amber Alerts¹⁹ in 2020; members of the JMLIT, HMRC the NECC and the NCA jointly developed an Amber Alert, highlighting risks associated with Payroll Company Fraud. This collaboration resulted in HMRC receiving several significant referrals, leading directly to action being taken against an organised crime group. This case alone is estimated to have prevented dissipation of almost £20 million of assets with further opportunities for recovery of related assets anticipated.

4.5 We will continue to examine if, and what, further powers and gateways are needed to maximise intelligence sharing within and between the regulated sector and law enforcement to enable all parties to have the tools and powers required to share information and better detect and disrupt criminality.

¹⁹ NCA Alerts provide information to non-law enforcement bodies to combat and disrupt serious crime. Amber provides more general information that may complement existing knowledge..

Strategic Priority Three: Powers, Procedures and Tools (Actions 11-19)

5.1 Ensuring that law enforcement, the justice system and the private sector have the necessary powers, procedures and tools to keep pace with evolving criminal threats and technological change is crucial for our response to economic crime.

5.2 In January 2020 the government retained the Fifth Anti-Money Laundering Directive (5MLD) in UK law.²⁰ This brought art dealers, letting agents, and parts of the crypto-asset sector under either HMRC or the Financial Conduct Authority's (FCA) supervision, and further tightened the UK's overall Anti-Money Laundering and Counter Terrorism Financing Regime reducing opportunities for criminals and terrorists to hide their funds. It mandated and significantly expanded the Trusts Registration Service, hosted by HMRC, which will raise the standards of transparency for millions more trusts.

5.3 The Disclosure Review recommendations included updating the Attorney General's Guidelines on Disclosure and the related Code of Practice. Following a public consultation these changes came into force on 31 December 2020. These seek to embed a "thinking approach" to the performance of disclosure obligations and ensure fairer charging decisions are made and fewer cases dropped post-charge due to issues with late disclosure.

5.4 We are also making good progress on implementing the Asset Recovery Action Plan. In FY2019/20, £208 million of proceeds of crime were collected.²¹ We have had significant successes using Account Freezing Orders (AFO) and Unexplained Wealth Orders (UWO) in denying criminals their illicit funds. The NCA has obtained UWOs in four investigations since the legislation was introduced. Four other agencies also have this tool at their disposal. As of December 2020, two investigations remain live with a combined estimated value of £33.2 million. In the first successful UWO case against a SOC nominal, assets were obtained via a settlement from an

individual who was suspected of money laundering for serious criminals via the property market since the early 2000s. The NCA was able to recover multiple criminally-obtained properties and other assets worth a combined total of close to £10 million. Separately, in 2019/20, £208 million covering 812 bank and building society accounts, was frozen using AFOs. We are also now working to bring into force the remaining provisions of the Criminal Finance Act 2017 in Northern Ireland, which will include provision for UWOs and AFOs there.

5.5 During the Covid-19 pandemic, NCSC and CoLP enabled the public to further support the fight against fraud as they fast-tracked their launch of the Suspicious Email Reporting Service (SERS).²² As of 28 February 2021, the number of reports received stand at more than 5,000,000 with the removal of more than 36,000 scams and 71,000 URLs.²³ This is part of the Active Cyber Defence programme which tests the validity of sites and blocks or takes down malicious URLs. SERS is the first service of its kind anywhere in the world.

5.6 The government is continuing to consider whether further legislative changes need to be made to the Proceeds of Crime Act 2002 to provide law enforcement with stronger tools to combat emerging threats. The government is on track to outline these proposals by December 2021, as per the milestones set out in the Economic Crime Plan.

5.7 Furthermore, the government has announced its intention to bring forward a precautionary power to block stock market listings on national security grounds.²⁴ This followed analysis of possible scenarios in which a listing could give rise to national security risks. This power will reinforce London's reputation for clean and transparent markets and help us maintain London's status as a world-class listings destination.

²² [Phishing: how to report to the NCSC.](#)

²³ [Phishing: how to report to the NCSC.](#)

²⁴ [Action 19 of the Economic Crime Plan - Statement made on 11 November 2020.](#)

²⁰ [Statutory Instrument 2019 No. 1511 - The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019.](#)

²¹ [Asset Recovery Statistical Bulletin 2014/15 – 2019/20.](#)

Strategic Priority Four: Enhanced Capabilities (Actions 20-32)

6.1 We are continuing to strengthen the capabilities of law enforcement, the justice system and private sector to detect, deter and disrupt economic crime.

6.2 Law enforcement partners (most notably NECC and CoLP) have been working hard to address a number of recommendations to improve law enforcement's response on fraud highlighted by HMICFRS report "Fraud: Time to Choose".²⁵ This included clarifying the CoLP's role as National Lead Force for fraud and making improvements to the fraud reporting service (Action Fraud). The recommendations from the HMICFRS report have largely been implemented, including rolling out the National Economic Crime Victim Care Unit across England and Wales. This will help ensure that those who are victims of fraud will receive consistent, speedy and high levels of support, with the majority of the public being covered by the end of this financial year. Whilst the progress made with law enforcement is positive, we recognise that more work is needed to tackle the threat posed by fraud, beyond the scope of Action 26.

6.3 In December 2019, the NCA used voluntary tasking powers to instruct Chief Officers in policing to prioritise initiatives aimed at improving the policing response to fraud, focussing on high-harm fraud types. This resulted in Project OTELLO, a NECC-led, public private response to reduce fraud through targeting the most serious frauds and fraudsters, including courier fraud, romance fraud and investment fraud. Operation Radium which focused on courier fraud and which was coordinated by CoLP, resulted in over 100 arrests. Investment frauds continue to cause high harm to individuals. The NECC is working with a range of partners to combat investment fraud, which has included collaboration with NCSC to increase the takedown of websites which enable investment fraud and has supported a national media campaign (ScamSmart) by the

²⁵ HMICFRS, 'Fraud: Time to choose - An inspection of the police response to fraud', April 2019.

FCA to raise consumer awareness of investment fraud.

6.4 Separately, as detailed in the threat chapter, the threat of public sector fraud has increased since publication of the Economic Crime Plan in 2019. In responding to COVID-19, the government prioritised getting support out to individuals and businesses quickly. We minimised fraud risks through preventative measures where possible, but nevertheless accepted the higher risks of fraud loss in our rapid rollout of Covid-19 support schemes. HMT, the Counter Fraud function at Cabinet Office and the Covid-19 Ministerial Fraud Board are working closely to develop the government response to public sector fraud. Budget 2021 included a new £100 million investment in a Taxpayer Protection Taskforce in HMRC to combat fraud related to Covid-19 support packages.

6.5 We are also making improvements to ensure that the private sector is better able to alert law enforcement to criminal activity. The SARs IT reform is progressing, with the development of a new IT system for reporters, UKFIU and law enforcement set for delivery from 2021. This is supported by the ROCUs in England and Wales²⁶ and the UKFIU²⁷ recruiting and onboarding additional staff, increasing the capacity of their operations and decreasing processing time. Tactical improvements to the DAMLs system have enabled better prioritisation of risk and harm cases, halving the processing time to less than 3 days. DAMLs have led to over £172 million being denied to criminals in 2019/20.²⁸

²⁶ As at time of publication – within the ROCUs 1 coordinator and 7 Financial Intelligence Officers have been recruited; 3 in progress, and a further 10 FI's being recruited and onboarded in Financial Year 21/22.

²⁷ As at time of publication – UKFIU staff uplifted c140 full time employees from c.80 at the time of the 2018 FATF Review.

²⁸ [UKFIU Suspicious Activity Reports Annual Report 2020](#).

6.6 Separately, through the Financial Services Act 2021 we have brought payment and electronic money institutions within scope of existing DAML threshold amount provisions. This is likely to reduce the number of DAMLs submitted for low value transactions in certain circumstances and decrease the resource burden on law enforcement. We will, as part of the work on considering new legislation, reflect how we can further improve the effectiveness of SAR reporting, particularly DAML SARs.

6.7 At the Spending Review 2020, £20 million was allocated to BEIS for Companies House reform, with the Home Office receiving an additional £63 million for economic crime. While this was only a one-year settlement, we are continuing to work towards a long-term SRM, designed to fund economic crime reform into the future. The SRM includes an Economic Crime Levy, announced at Budget 2020, which is projected to raise £100 million a year from the AML-regulated sector towards this work. The government is also working with the financial sector to unlock suspected criminal funds held in 'frozen' accounts across the financial sector. This collaboration presents opportunities to fund additional initiatives important to the public and private sectors to counter economic crime. We will consider how these funds could be used, including whether suspended funds can be used to reimburse victims of fraud. ARIS is also being reviewed to assess whether the current arrangements are effective.

Strategic Priority Five: Risk-Based Supervision and Risk Management (Actions 33-41)

7.1 Progress under this priority has addressed deficiencies in the UK's AML-supervision regime, identified by the Financial Action Task Force's Mutual Evaluation Report on the UK in 2018.

7.2 The FCA have developed a new data-led AML supervision model, making use of data and intelligence with new and innovative tools to test the effectiveness of firms' systems and controls. This will deliver a more bespoke, flexible, targeted and in-depth approach to AML supervision. In January 2020, the FCA became the supervisor of crypto asset businesses in scope of the Money Laundering Regulations 2017. As the recent NRA shows,²⁹ crypto assets are increasingly being used to launder funds across a range of illegal activity. Existing firms that carry out crypto asset activities had to apply to the FCA for registration or cease trading by 10 January 2021. On 16 December 2020 the FCA announced that firms that had applied for registration by that date, but that had not had their registration status confirmed, could continue to operate under the FCA's temporary registration regime, in place until 9 July 2021, pending confirmation of their registration outcome.

7.3 HMRC is on track to deliver an enhanced risk-based approach by March 2021, supported by an increase in charges to its supervised population from May 2019. HMRC's updated approach will include tightened registration processes, greater use of behavioural science and educational material to increase compliance and an increase in interventions across their supervisory population. There have already been improvements in the strength of enforcement action taken. In January 2021, HMRC reported it had imposed a record £23.8 million fine on an MSB breaching the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs). HMRC has also recently completed an in-depth self-assessment of its supervision regime, against the

²⁹ [National Risk Assessment of Money Laundering and Terrorist Financing 2020.](#)

Office for Professional Body Anti-Money Laundering (OPBAS) sourcebook standards and the MLRs, with support from HMT and OPBAS. A summary of the report was published on 17 March 2020.³⁰ As a result of the impact of the Covid-19 pandemic and recruitment delays, it has not been possible for HMRC to increase compliance intervention numbers to the planned extent within the timeframe. HMRC now expects to deliver this increased coverage by March 2022.

7.4 Since 2018, OPBAS has worked with the accountancy and legal sector Professional Body Supervisors (PBS) to increase the consistency of their AML supervision and facilitate increased intelligence and information sharing. OPBAS has independently assessed how each PBS carries out their AML/CTF supervisory responsibilities. In its second report, published in March 2020,³¹ OPBAS identified that both accountancy and legal sectors had made strong improvements in applying a risk-based approach to their supervision. However, some PBSs were not progressing at the pace required. Where this was identified, OPBAS took swift action, including use of its powers of direction, where appropriate and proportionate to do so. After ensuring the implementation of AML Strategies for all 22 PBSs, OPBAS has started the next phase of supervisory work, which tests the effectiveness of PBSs' AML supervision. Since starting this work in May 2020, OPBAS has completed 15 PBS inspections. The remainder of inspections will be completed during 2021.

7.5 Separately, in conjunction with the NECC, OPBAS has established Intelligence Sharing Expert Working Groups ISEWGs for the accountancy and legal sectors. The purpose of the ISEWGs is to share strategic and tactical intelligence with PBSs, statutory AML supervisors

³⁰ [HMRC Anti-Money Laundering Supervision Annual Assessment.](#)

³¹ [Anti-Money Laundering Supervision by the Legal and Accountancy Professional Body Supervisors: Progress and themes from 2019.](#)

and law enforcement, such as typology reports, alerts and anonymised case studies and, more generally, to create an environment to work collaboratively to improve intelligence sharing arrangements by building trust and agreeing a consistent approach.

7.6 The UK's Mutual Evaluation found the Gambling Commission displayed a very strong understanding of risks both at a sector and firm-specific level. The Commission has continued to inform this understanding, publishing an updated risk assessment for the sector in December 2020. It has also continued to act against non-compliance and issued 13 financial penalties, or agreed settlements in lieu of penalty, totalling £43.7 million in 2019/20.³²

7.7 A further priority is the development of new, innovative solutions that can assist industry in becoming more efficient and effective in mitigating economic crime risks. In March 2020, the Financial Action Task Force (FATF) produced guidance on the use of digital identities, which advised how digital identification systems can be utilised to simplify and strengthen customer due diligence checks. In considering this UK Finance will review the links between economic crime reform and the separate DCMS led work on digital identity products. The public private Innovation Working Group has also looked at how up and coming technologies, such as Privacy Enhancing Technologies and Legal Entity Identifiers, can be more widely adopted in the private sector to prevent economic crime.

7.8 Looking ahead, the forthcoming Call for Evidence on Money Laundering Regulations and OPBAS Regulations will also provide further opportunities to consider how the overall effectiveness and efficiency of the regime can be improved.

³² HM Treasury Annual Supervision Returns, 6 April 2019 – 5 April 2020.

Strategic Priority Six: Transparency of Ownership (Actions 42-44)

8.1 The use of opaque corporate structures to obscure or provide a veneer of respectability to criminal enterprise poses a real threat both to our economy and national security. Transparency of beneficial ownership is therefore one of the most effective tools we have in identifying and deterring illicit finance, and something the UK has long championed on the global stage.

8.2 Within the UK, our focus is now to improve the quality of information held by Companies House. In September 2020, the government published its plans to do so. The formal response to the Corporate Transparency and Register Reform consultation of 2019 sets out a package which will comprise the most significant changes to the operation of the companies register since one was established in the 1840s.³³ The reforms, which received an overwhelmingly positive response, include compulsory identity verification for all directors, People with Significant Control and those filing information on behalf of a company. The reforms will improve the accuracy of the information on the register and give the Registrar much greater powers to query and reject information. Individuals at risk will get greater protection over their data. Companies House will be empowered to share and cross-check data with other agencies and the regulated sectors. The outcome should be that the millions of users of the register, including the regulated sectors, can have greater faith in the information, so that it continues to serve its vital role facilitating business transactions and underpinning confidence in our economy.

8.3 These reforms will require significant investment and new legislation. Investment in new systems and capabilities at Companies House has been underway throughout 2020, and in the November 2020 Spending Review the government committed a further £20 million investment for 2021/22. Through these reforms and this investment, we aim to improve the quality of the Companies House service, so that millions

of users, including the regulated sectors, can have greater faith in the information presented on the register. They will also help Companies House to serve its vital role facilitating business transactions and underpinning confidence in our economy.

8.4 Key to the vision will be much stronger feedback loops between Companies House and others. Since 10 January 2020, AML-regulated firms are complying with the 5MLD requirement that mandates all obliged entities to report discrepancies regarding beneficial ownership information to Companies House. Guidance has been published to aid industry in its implementation of this requirement.

8.5 UK based TCSPs can be used to register a company which can then be used to conduct financial transactions, providing legitimacy to criminal funds and a layer of obfuscation to the ownership of assets. A first step in improving transparency was taken in January 2020 when HMT introduced a mechanism to report discrepancies in Companies House data, requiring regulated firms to report inconsistencies between Companies House beneficial ownership information and those they receive through compliance checks. This reporting system allows the public and private sectors to work more collaboratively to help ensure that ownership remains clear whilst rooting out those who abuse or seek to manipulate the system.

8.6 With support from the UK government, in recent months all permanently inhabited Overseas Territories have agreed to implement public beneficial ownership registers by 2023. Alongside this, BEIS are in the final stages of finalising reforms to limited partnerships, having announced in 2018 a package of policy reforms. BEIS will introduce both legislative reforms when parliamentary time allows.

³³ [Corporate transparency and register reform.](#)

Strategic Priority Seven: International Strategy (Actions 45-49)

9.1 Combatting corruption and illicit finance is fundamental to the UK's security, prosperity and the integrity of our institutions. Unchecked, it undermines open societies and bankrolls authoritarian agendas, enabling the abuse of human rights and environmental degradation. A recent estimate put the annual cost of bribery alone at about \$1.5 to \$2 trillion (roughly 2 percent of global GDP).³⁴ This year, the UK plans to capitalise on its presidency of the G7 by pushing for more meaningful international action to counter illicit finance, economic crime and corruption. The UK's proposed G7 agenda will include promoting transparency, enhancing international cooperation (including on asset recovery) and renewed political commitment to stronger implementation of global standards.

9.2 The UK has made progress against the recommendations made in the 2016-2021 United Nations Convention against Corruption (UNCAC) UK review report³⁵ which focused on prevention and asset recovery (including money-laundering), and we will report on progress in the UK Anti-Corruption Strategy: Year 3 Update. We are also responding to the FATF MER³⁶ of the UK, through actions in the wider Economic Crime Plan. This will help to ensure that we remain leaders in this area and, having now left the EU, our safe space to conduct business becomes a competitive advantage.

9.3 We are already working to ensure that those with questionable finances in the UK are held accountable. For example, following a civil settlement with a SOC international nominal, the NCA agreed a civil settlement worth £190 million worth of assets and secured nine AFOs.

9.4 The UK has also introduced its autonomous sanctions regime under the Sanctions and Anti-Money Laundering Act on 6 July 2020. The UK will now pursue an independent sanctions policy

driven by UK foreign policy and national security interests.

9.5 FCDO have launched the pilot of the illicit finance 'International Centre of Excellence' (ICE). This capability looks to enhance the UK's ability to identify, understand and get ahead of the risks posed by illicit finance emanating from the global financial system, where these risks threaten to undermine the UK's wider interests. ICE will do this by harnessing expertise from the public, private and academic sectors, to provide UK partners with information, analysis and interventions via deployable subject matter experts, with a broader focus on building partnerships to increase UK leverage. Work in this area will allow us to continue to take a leadership role in tackling global illicit finance.

9.6 HMT has recently established an Anti-Money Laundering and Counter-Terrorist Financing Technical Assistance Unit to support official development assistance funded countries around the world to address strategic weaknesses in their response to illicit finance and improve their implementation of the FATF's international standards for economic crime. This will reduce the threat to the UK of economic crime overseas and support prosperity around the world.

³⁴ [Corruption: Costs and Mitigating Strategies.](#)

³⁵ [United Nations Convention against Corruption.](#)

³⁶ [Mutual Evaluation Report of the United Kingdom - 2018.](#)

Annex A – Economic Crime Plan Actions

Strategic Priority One: Understanding the Threat and Performance Metrics

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 1. Undertake collective threat assessments | Ongoing/ Ongoing | <p>The NECC commissioned three public private assessments, one gaining a private sector perspective on the NCA's National Strategic Assessment, and the others assessing the public private shared understanding of the money laundering threat posed by MSBs (led by HMRC) and TCSPs. The latter two have resulted in agreed cross Government activity to tackle the identified vulnerabilities.</p> <p>The NECC have worked with the NCA's NAC to agree that all assessments (where possible) relating to economic crime will be published at an official level and shared with the relevant private sectors.</p> <p>At the beginning of the pandemic, the NECC established the public private OTELLO Covid-19 Fusion Cell of 30 organisations- both as an immediate response to the potential change in the economic crime threat and to test new collaborative ways of working that could inform the future development of more dynamic information-sharing capabilities.</p> <p>The learning from the earlier threat assessments and the Fusion Cell has now been developed into a sustainable model under the newly formed NECC-led PPOB. This will have permanent public private threat groups dedicated to money laundering and fraud which will ensure shared public private threat understanding happens in a more systematic and agile manner.</p> | Ongoing |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|------------------------------|---|---|
| 2. Develop a fully operational performance system to measure what works | July 2020/ Complete | The framework of key performance measures has been adopted and will be updated as new information sources emerge. This is enabling us to ensure our actions will have the intended real-world impact. | Complete |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 3. Conduct new National Risk Assessments on money laundering, terrorist financing and proliferation financing | July 2020/ In Progress | The Money Laundering and Terrorist Financing National Risk Assessment was published on the 17 December 2020. ³⁷ This will help to inform our understanding of risk and ensure that we remain responsive to changing threats. The Proliferation Financing Risk Assessment is now due to be published in Summer 2021. We continue to gather evidence from a variety of sources to inform the assessment. | Summer 2021 for Proliferation Financing NRA |
| 4. Better understand the threat and performance in combatting public sector fraud | Ongoing/ In Progress | The Cross-Government Fraud Landscape Report 2019 was published in February 2020. ³⁸ This report is the main means of tracking government knowledge and performance in this area. | Ongoing |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 5. Resolve evidence gaps through a long-term research strategy | December 2019/ Complete | The research strategy has been published alongside this progress update. ³⁹ Longer-term research in the areas identified by the strategy will help improve our understanding of economic crime, its drivers and what works in tackling it, to best tailor our response | Complete |

³⁷ [National risk assessment of money laundering and terrorist financing 2020.](#)

³⁸ [Cross-government fraud landscape annual report 2019.](#)

³⁹ [Economic Crime Research Strategy.](#)

Strategic Priority Two: Better Information Sharing

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 6. Review barriers to information-sharing, powers and gateways | March 2020/ Complete | The Information Sharing review completed as planned in March 2020. The review identified a number of recommendations which are currently being progressed through our collaborative information sharing work stream to develop information sharing gateways to combat economic crime. | Complete |
| 7. Promote sharing of information in corporate groups | March 2020/ Complete | This action has been completed and a statement affirming the government's endorsement for cross-border information-sharing within corporate groups to combat economic crime was published on 12 May 2020. ⁴⁰ | Complete |
| 8. Expand and enhance public private information-sharing through JMLIT | July 2020/ Complete | Through the Fusion Cell we have tested enhanced information sharing and partnership working across both fraud and money laundering, and across sectors. This has fed into work to further develop the NECC public private partnership (PPP) model which has been ongoing through the course of this year, governed by the NECC Public Private Operational Board. The Board now oversees the JMLIT and wider NECC PPP activity, with a mandate to set and deliver against a vision for partnership that collectively maximises our use of resources to prevent and disrupt economic crime. | Complete |
| 9. Improve information-sharing between AML/CTF supervisors and law enforcement | Ongoing/ Complete | This action is complete. The Accountancy and Legal Sector Expert Working Groups (ISEWGs), supported by JMLIT and OPBAS, are continuing to support the sharing of intelligence and information, including the dissemination of alerts throughout the sectors, on a regular basis. | Complete |

⁴⁰ [Government statement on cross-border information-sharing within corporate groups.](#)

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|-------------------------------------|--|---------------------------------------|
| 10. Promote information-sharing in relation to fraud | December 2020/ In Progress | <p>Home Office is in the process of reviewing sharing of data with a Specified Anti-Fraud Organisation legislation to ensure it remains fit for purpose. We will look to address this through future legislative vehicles as part of the broader, ongoing work on economic crime information sharing to ensure the right legislation and powers are in place concerning information sharing between public and private bodies.</p> <p>The Cabinet Office Data Projects team is currently running 14 data pilots. One pilot has concluded with final savings at the assurance stage. The anticipated savings from this pilot are expected to be £12.4 million (£11.2 million in prevented savings, plus a further £1.2 million of detected fraud that is in recovery). This against the annual target of £5 million</p> | June 2022 |

Strategic Priority Three: Powers, Procedures, and Tools

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|------------------------------|---|--------------------------------|
| 11. Implement the Asset Recovery Action Plan | July 2022/ In Progress | <p>Review of the Proceeds of Crime Centre (POCC) is completed and we are working with partners to develop plans to implement the recommendations.</p> <p>Work is ongoing with HMCTS and Ministry of Justice (MoJ) on analysis of data on unenforced confiscation orders, to inform future discussion on options for improving recovery, including a potential role for the private sector.</p> <p>The Ministry of Justice were granted Proceeds of Crime Act powers [via the POCA (References to Financial Investigators) (Amendment) (England and Wales) Order 2020] in October 2020. A consultation to grant POCA powers to five further organisations will launch at the end of January 2021 ahead of secondary legislation planned for June 2021.</p> | |
| 12. Consider legislative changes to improve the Proceeds of Crime Act | December 2021/ In Progress | <p>The Home Office continues work to identify potential changes to POCA legislation. The Law Commission consultation of POCA Part 2 (Confiscation) has now commenced. The consultation on revised codes of practice to commence certain outstanding Criminal Finance Act 2017 powers (including AFOs and UWOs) in Northern Ireland, was launched on 1 December 2020 and closed on 22 January 2021, with a view to the necessary secondary legislation coming into force in June 2021.</p> <p>Separately, through the Financial Services Bill we have updated certain provisions in Chapter 3B of Part 5 of POCA, and Chapter 7 of POCA to include references to payment and electronic money institutions.⁴¹</p> | |

⁴¹ See clauses 31 & 32: [Financial Services Bill](#).

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|-------------------------------------|---|---------------------------------------|
| 13. Transpose the Fifth Money Laundering Directive | January 2020/ Complete | The government has now retained 5MLD in UK Law. The statutory instrument to implement the majority of 5MLD's requirements came into force on the 10 January 2020 . The trust registration measures were delayed due to the need to hold a further consultation – the relevant legislation came into force on 6 October 2020. | Complete |
| 14. Implement the Disclosure Review recommendations | December 2019/ Complete | This action is now complete. The public consultation closed on 22 July. The Statutory Instrument was laid in parliament on the 10 September 2020 and has successfully completed its Parliamentary passage. The Guidelines and Code came into force on 31 December 2020. | Complete |
| 15. Consider tactical targeting orders | July 2020/ Complete | In Autumn 2020, RUSI hosted a workshop for policymakers and operational partners to explore the operational case for TTOs and highlight the practical and legal considerations of implementation. Potential implementation of TTOs would be subject to public consultation and parliamentary scrutiny and any further work will be taken forward as part of considering changes to POCA (Action 12). | Complete |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 16. Develop framework to repatriate funds to victims of fraud | December 2021/ In Progress | The Home Office is working closely with law enforcement agencies and the banks to explore a series of pilots to look at the use of funds held in suspended accounts might be used to compensate fraud victims. | |
| 17. Clarify sanctions supervision powers | July 2020/ In Progress | HMT is reviewing the systems and controls in place under the UK's AML supervisory regime to monitor financial sanctions compliance. HMT has worked with the PBS' to better understand the compliance practices within their regulated populations and will continue to engage them throughout this year to improve sanctions systems and controls. | |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 18. Review the criminal market abuse regime | July 2021/ In Progress | The initial phase of the review, a detailed internal analysis of the current criminal regime, has been completed by the FCA. The analysis has identified a number of issues and potential changes to address them. An external QC is reviewing the FCA's initial conclusions and providing feedback. Formal recommendations on how to amend the criminal regime will be developed by the end of July 2021. | |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 19. Investigate power to block listings on national security grounds | June 2020/ Complete | The action to investigate a new power is now complete, and following analysis undertaken as part of the Economic Crime Plan, the government has announced its intention to bring forward a precautionary power to block listings on national security grounds. ⁴² This power will reinforce London's reputation for clean and transparent markets and help us maintain London's status as a world-class listings destination. HMT will publish a full consultation to inform the design of the power, which we expect to launch in early 2021. | Complete |

⁴² [Action 19 of the Economic Crime Plan - Statement made on 11 November 2020.](#)

Strategic Priority Four: Enhanced Capabilities

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|-------------------------------------|--|---------------------------------------|
| 20. Continue to develop the NECC as a genuine public private hub for combatting serious and organised economic crime | July 2021/ In Progress | Progress continues, with the creation of new governance in September to streamline our existing operational PPPs and to oversee the development and implementation of a PPP strategy. This strategy will help us optimise the use of our collective capabilities and resources to prevent and disrupt economic crime. | |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 21. Understand and enhance capabilities | July 2020/ Complete | This action has been completed through several related deliverables. Since the launch of the Economic Crime Plan, independent reviews have been commissioned by government to review the capabilities across the system including the Serious Organised Crime review and the POCC review. The capabilities, and gaps, across the Economic Crime system were mapped in early 2020 which was developed collaboratively by the public and private sector. | Complete |
| 22. Develop public private action plans to combat economic crime threats | January 2020/ Complete | All new action plans developed by the NECC now consider public private aspects as standard. | Complete |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|------------------------------|--|--------------------------------|
| 23. Develop a sustainable, long-term resourcing model for economic crime reform | March 2020/ In Progress | <p>The government's consultation on the Economic Crime Levy closed in October 2020. The Government response to the consultation will be published in Summer 2021 and the legislation needed to establish the Economic Crime Levy will be drafted and published by the end of 2021.</p> <p>The Spending Review 2020 settlement provided an additional £63 million in 2021/22 of further funding in order to support economic crime including SARs reform, the continued expansion of the NECC, as well as to begin the reform of the Action Fraud system. In addition, more than £20 million has been secured in 2021/22 for Companies House reform, boosting its capacity for tackling economic crime.</p> | December 2021 |
| 24. Launch flagship economic crime court in central London | Ongoing/ In Progress | The City of London Corporation has published its plans for a new economic crime court at Fleet Street ⁴³ and a planning application has now been submitted. | Ongoing |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 25. Consider how the payments systems can help tackle economic crime | 2021/ In Progress | <p>New Payments Architecture (NPA): Pay.UK continues to engage with its regulators and industry stakeholders through various channels to gather feedback relating to the NPA design and approach. This engagement has been supplemented by a focus on end-user engagement which will continue in 2021.</p> <p>Confirmation of Payee: Confirmation of Payee (CoP) Phase 1 went live in summer 2020 and over a million CoP checks are now taking place each day. As a name checking service designed to help personal and business customers avoid payments being accidentally or fraudulently misdirected, Pay.UK is encouraged by its initial take-up across the industry and is now working closely with participants on the plans for Phase 2. This will, in due course, enable a ubiquitous capability for all account holding firms who want to adopt the service.</p> <p>Transaction Data Analytics: Current activity is focused on the determination of how Pay.UK can support the implementation of future financial crime capabilities under the NPA. Pay.UK is building on the lessons learned from the on-going TDA project and industry feedback.</p> | |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 26. Improve the policing response to fraud | March 2020 | <p>The recommendations in the HMICFRS report have largely been completed (and the Security Minister updated the Treasury Select Committee in May 2020). A revisit of this inspection currently underway will provide an update on progress.</p> <p>The NECC have worked with policing and other partners to deliver the outcomes set out above, as well as developing an improved tasking process for the most serious and organised frauds, and through their work on Covid-19-related fraud brought together law enforcement and public sector partners more effectively than ever before. This has provided greater sharing threats and risk, unique data analysis opportunities, and resulted coordinated investigations and communications on a range of issues.</p> <p>CoLP have carried out new work to better understand the scale of the policing response and implement the new national policing strategy. They also used the new Lead Force Operations Room to improve their direct support to forces on significant operations. As well as focusing on delivering the recommendations of the Mackey review into Action Fraud, the service has been maintained through the pandemic, with a new site and new home working arrangements allowing it to continue despite lockdown restrictions.</p> <p>However, more work is needed to tackle fraud. We will be working with the NECC, CoLP, NCSC and other partners to consider the recommendations made by the HMICFRS review, which will be published later this year. Our intention is to reflect those, and other proposed reforms into the new Fraud Action Plan mentioned above. Delivery of this action plan and a successful Spending Review outcome will allow us to close this action.</p> | March 2022 |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|-------------------------------|--|--------------------------------|
| 27. Improve support for victims of fraud | August 2020/ Complete | The Home Office, alongside other partners considered options to further improve the support offered to victims of fraud, focusing on delivering consistency, speed and quality of support. This has resulted in the National Economic Crime Victim Care Unit model, which is currently being rolled out and will cover the majority of the population of England and Wales by the end of 2021. Further rollout and additional measures to improve support are also being considered to take forward on an ongoing basis. | Complete |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 28. Close the vulnerabilities that criminals exploit to conduct fraud | December 2020/ In Progress | The Home Office has been leading work to explore the potential for fraud sector charters with the retail banking, telecommunications and accountancy sectors. These charters will set out the actions government and industry will take to target harden systems to fraud. The Joint Fraud Taskforce, under the Security Minister's chairmanship, will oversee delivery of the charters and the Home Office will lead a programme to develop charters with all sectors impacted by fraud. | March 2022 |
| 29. Build our Government Counter Fraud Profession | April 2021/ In Progress | There are currently over 6,600 members of the Government Counter Fraud Profession from 33 organisations, including central government, police and local authorities. | |
| 30. Deliver first tranche of SARs IT transformation and design the target operating model for the future of the SARs regime | December 2020/ In Progress | The first elements of the new IT systems (new Bulk Reporter Submission Portal) were delivered in early 2021, to enable Bulk Reporters to begin testing the new systems. The target operating model for the future SARs regime has been designed and completed with a pilot implementation within the UKFIU, along with the recruitment of additional UKFIU staff, which is progressing as planned, leading to increased feedback and engagement with all reporters and a reduction in the turnaround time for DAML SARs requests from an average of just over five to three days, expediting dissemination to law enforcement of high-harm cases. The new digital service for SARs reporting and analysis, including search, data visualisation and analytics will be completed in March 2022. | Spring 2022 |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
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| 31. Deliver greater feedback and engagement on SARs | 2020/ Complete | <p>The UKFIU has substantially enhanced its capacity to deliver feedback to reporters on SARs, increasing total UKFIU resources to c.140 FTE (from c.80 at the time of the 2018 FATF Review). Examples of increased feedback and engagement include more 1-2-1 sessions with Reporters and SARS Groups supported; continued review of Guidance, with 18 items issued or re-issued in 2020; new issues of the UKFIU Magazine; new webinars and podcasts and increased social media output. The UKFIU has also undertaken greater analysis of SARs, producing more information on trends in reporting and typologies.</p> <p>An OPBAS led subgroup continues to investigate with HMT and Home Office the legal gateways and possible options to enable AML supervisors to review SARs content and address the inconsistencies in their current approaches. The UKFIU and OPBAS are supporting supervisors through webinar training and producing a joint guidance document on what to look for in quality SARs. The UKFIU and the Gambling Commission have begun a 6-month pilot to assess the value of reviewing SARs for the sector within their regulatory work.</p> | Complete |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 32. Ensure the confidentiality of the SARs regime | December 2019/ In Progress | The Home Office continues to consult with its law enforcement and private sector partners to develop guidance in relation to the confidentiality of SARs in civil litigation. | June 2021 |

Strategic Priority Five: Risk-Based Supervision and Risk Management

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 33. Review the MLRs and OPBAS regulations | June 2022/ In Progress | The review will commence in 2021 and assess the effectiveness and scope of the MLRs and the OPBAS Regulations. | |
| 34. Enhance FCA supervision and engagement | March 2021/ In Progress | <p>The FCA has identified the changes to their proactive AML supervisory approach and will pilot the new data led AML supervision model during the financial year, which will include making greater use of data and intelligence; and using new and innovative technology tools to test the effectiveness of systems and controls. These changes will make sure the FCA's supervisory approach is more bespoke, flexible, targeted and in-depth.</p> <p>Over the course of the year the FCA has run a number of campaigns, advertised across TV radio and online, to increase consumer awareness of scams. This has included advertisement campaigns on investment scams, pensions scams and loan fee fraud.</p> | |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|------------------------------|------------------------------|---|--------------------------------|
| 35. Enhance HMRC supervision | March 2021/ In Progress | <p>HMRC has enhanced its risk-based approach to supervision, making good progress in 5 of its 6 commitments. It has:</p> <ul style="list-style-type: none"> • Implemented a new operating model and processes, including the successful trial of new registration and fit and proper procedures. These are being rolled out across the business; • Published revised risk information for each of its sectors and recruited a behavioural insight expert to optimise education and outreach work; • Introduced a new sanctions framework, using of the full range of sanctions to address compliance failures, including more robust financial penalties. This includes a recent record fine of c. £24 million for a UK Money Service Business⁴⁴ and greater use of suspension and cancellation of registration; • Continued to co-operate with OPBAS and other supervisors to share information and intelligence and has published a summary of an in-depth self-assessment of its supervision's alignment to the OPBAS sourcebook standards. <p>HMRC has continued its risk-based compliance intervention activity, making appropriate use of sanctions as necessary. The pandemic necessitated refocussing to more desk-based compliance work but HMRC has continued to visit businesses where necessary. However, it has not been possible to deliver the planned increase in compliance interventions as a result of the impact of Covid-19 and recruitment delays. Additional staff have now been recruited and the planned increased intervention numbers will be delivered from 2021-2022.</p> | |

⁴⁴ In January 2021, a £23.8m fine was handed to a UK payments business. HMRC said MT Global, a money transfer company, had committed "significant breaches of money laundering regulations", including failures to conduct risk assessments and due diligence on its customers. This is the largest penalty of its kind and illustrates the coordinated effort by HMRC together with its partners policing, the FCA and the National Crime Agency to tackle illicit finance in the UK.

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|-------------------------------------|---|---------------------------------------|
| 36. Strengthen the consistency of professional body AML/ CTF supervision | March 2021 In Progress | All existing PBS' AML Strategies have been agreed and are being regularly monitored for implementation. Since starting their next phase of supervisory work in May 2020, OPBAS has completed 15 PBS inspections, which tested the effectiveness of the PBSs AML supervision. The remainder of inspections will be completed during 2021. Due to Covid-19, all inspections in 2020 have been conducted remotely however, this has not had a material impact on their ability to supervise effectively. Where significant weaknesses are identified or AML supervision is found to be below the standards expected, OPBAS is using a range of legislative and other tools to improve standards. In a letter to the Treasury Select Committee, the Economic Secretary to the Treasury set out how HMT would respond to an OPBAS recommendation for the removal of a PBS from Schedule 1 of the MLRs. | |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 37. Establish the FCA as the supervisor of the future crypto assets AML/ CTF regime | January 2020/ Complete | The FCA became the supervisor of crypto-assets in the UK on 10 January 2020. | Complete |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|--|--------------------------------|
| 38. Support innovation in regulatory compliance for AML/ CTF | Ongoing/ In Progress | <p>The Innovation Working Group was established at the end of 2019 and has discussed how Privacy Enhancing Technologies (PETs) and Legal Entity Identifiers (LEIs) could improve the effectiveness and efficiency of private sector preventive measures related to AML/ CTF.</p> <p>The FCA have continued to support the adoption of innovative AML technologies by the private sector.</p> <ul style="list-style-type: none"> • Following the August 2019 TechSprint, the FCA has continued to work with numerous companies to develop proof of concepts that will use PETs to solve AML/CFT challenges. • In March 2020 the FCA published a report on ‘The evolution of the FCA TechSprint Approach’, which shared insights and best practice to support regulatory peers to undertake effective collaborative ideation and innovation efforts in their markets; and notes areas where the FCA are working to further develop and improve their approach. <p>In October 2020, the FCA launched – in association with the City of London Corporation – the Digital Sandbox Pilot. As part of this, 12 technological solutions which aim to tackle fraud and scams are being piloted.</p> | Ongoing |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
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| 39. Enhance firms' holistic response to economic crime | Ongoing / In Progress | <p>UK Finance are supporting a number of operational projects relating to money mules and other cross-sector vulnerabilities to fraud and money laundering. This includes promotion of the European Money Mules Action campaign, with members flagging in SARs where a mule is suspected to enable more targeted investigation and disruption by law enforcement.</p> <p>UK Finance has also convened an investment scams working group including investment industry associations, regulators and the financial services compensation scheme. This group is exploring and driving new initiatives to mitigate cross-sector risks and vulnerabilities enabling investment scams.</p> | Ongoing |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 40. Promote digital identity services | October 2019 / Complete | The government worked extensively with the Financial Action Taskforce to produce guidance on the use of digital identities, which was published in March 2020. | Complete |
| 41. Education and awareness-raising on economic crime threats and the recovery of criminal assets | December 2019 / Complete | The Strategic Communications Steering Group has been established and is now meeting regularly. The focus is on proactively identifying communications opportunities agreeing a core script and considering language that could be used to better communicate economic crime threats to the public. | Complete |

Strategic Priority Six: Transparency of Ownership

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|------------------------------|--|--------------------------------|
| 42. Reform Companies House | Ongoing / In Progress | The Department for Business, Energy and Industrial Strategy (BEIS) published its consultation response on Companies House Reform on 18 September. ⁴⁶ Proposed reforms include introducing digital identity checks on directors, presenters and persons of significant control, and greater powers for the Registrar of Companies to query information and share it with other agencies. These reforms will help tackle abuse of UK corporate structures and improve the accuracy of the Register. BEIS published three further consultations on detailed aspects of the reforms in December 2020. ⁴⁷ These include taking forward a ban on corporate directors. ⁴⁸ The consultations closed on 3 February 2021, and BEIS is analysing the responses to the consultations. | Ongoing |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 43. Introduce a requirement to report discrepancies of beneficial ownership information | January 2020 / Complete | The government introduced a mechanism to report discrepancies in data held by Companies House in January 2020. | Complete |

⁴⁶ [Corporate transparency and register reform.](#)

⁴⁷ [Corporate transparency and register reform: powers of the registrar.](#)

⁴⁸ [Corporate transparency and register reform: implementing the ban on corporate directors.](#)

⁴⁹ [Report a discrepancy about a beneficial owner on the PSC register by an obliged entity.](#)

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|---|---|--------------------------------|
| <p>44. (i) Enhance transparency of overseas ownership of UK property and</p> <p>(ii) reform limited partnerships</p> | <p>(i) 2021 / In Progress</p> <p>(ii) Ongoing / In Progress</p> | <p>ROEBO: The government has committed to introducing legislation to enhance the transparency of overseas ownership of UK property, and will legislate when parliamentary time allows.</p> <p>Limited Partnerships: To help tackle abuse in limited partnerships, the government set out plans in 2018 to tighten registration requirements, require limited partnerships to demonstrate a firmer connection to the UK; increase transparency requirements, and enable the Registrar to strike from the register limited partnerships which are dissolved, which are no longer carrying on business or where a court orders that it is in the public interest.⁵⁰ The government will legislate when parliamentary time allows.</p> | <p>Ongoing</p> |

⁵⁰ [Limited partnerships: reform of limited partnership law.](#)

Strategic Priority Seven: International Strategy

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|------------------------------|---|--------------------------------|
| 45. Improve understanding of the nature and impact of the international threat | Ongoing / In Progress | <p>The cross-government International Illicit Finance Working Group (led by Home Office, FCDO, and HMT) continues to develop understanding of the nature and impact of international illicit finance through various methods such as classified risk assessments, Serious Organised Crime Joint Analysis (SOCJA) products or information sharing at multi-lateral fora.</p> <p>Having completed large numbers of assessments, we have a greater understanding of the threat and have enhanced our subsequent policy and operational response.</p> | Ongoing |
| 46. Joint work on meeting international standards | Ongoing / In Progress | <p>The UK underwent a review of its compliance with the United Nations Convention Against Corruption (UNCAC) in 2017/18, the Executive Summary of which was published in May 2019. Overall the UK received a positive review from the UNCAC reviewers. The full report has now been published ⁵¹:</p> <p>The UK Government has extended its ratification of the UNCAC to the Cayman Islands who will join the Crown Dependencies, Bermuda and the British Virgin Islands in being covered by the Convention.</p> <p>In March 2019, the UK presented its initial 'half-time' written follow-up report to the OECD Working Group on Bribery (WGB), outlining the steps taken to implement the recommendations received and to address the follow-up issues identified during its Phase 4 evaluation in March 2017. In terms of recommendations, the WGB considered that, at the 'half-time' mark, the UK has fully implemented 16, partially implemented 18, and not implemented 10.</p> | Ongoing |

⁵¹ [United Nations Convention against Corruption.](#)

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|-----------------------------------|------------------------------|--|--------------------------------|
| 47. Enhance overseas capabilities | Ongoing / In Progress | <p>The FCDO International Centre of Excellence (ICE) is now in its inception period, which is anticipated to last until late 2021. This is a 'building and learning' period, working with key customers of ICE (HMG and private sector) to develop and test products, tasking and prioritisation, establish and develop the fundamental partnerships with the private sector, civil society and academia upon which ICE will depend, and put in place priority functions and systems.</p> <p>All former-DFID IF network posts and SOCnet IF leads are in post and delivering in accordance with the HMG International Illicit Finance Strategy.</p> <p>HMT has established an Anti-Money Laundering and Counter Terrorist Financing Technical (AML/CTF) Assistance Unit to support ODA funded countries around the world to address strategic weaknesses in their response to illicit finance, and improve their implementation of the FATF international standards for combatting illicit finance. This will reduce the threat to the UK of illicit finance originating overseas and supporting prosperity around the world. In its pilot phase the TA Unit will deliver targeted capacity building to a range of jurisdictions through AML/CTF expert practitioners.</p> <p>The FCA continues to plan regular engagement with supervisory counterparts through bilateral and international engagement; and continue to participate in the development of proposals to improve international cooperation amongst virtual asset service providers, particularly relating to information-sharing and capability building amongst supervisors.</p> <p>OPBAS continues to engage internationally to share its supervisory experiences and learn from others. In May 2020, it joined a panel at the FATF Supervisors Forum to discuss challenges in the Designated Non-Financial Business and Professions (DNFBP) sectors. OPBAS are also part of a FATF working group developing guidance around effective DNFBP supervision.</p> | Ongoing |

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|--|----------------------------------|--|--------------------------------|
| 48. Strengthen capability to investigate and prosecute bribery and corruption overseas | Ongoing / In Progress | A new phase of funding for the International Corruption Unit commenced in April 2020. | Ongoing |
| 49. Promote integrity in business internationally | Ongoing until 2021 / In Progress | <p>Over the course of 2020, the Business Integrity Initiative has piloted 14 interventions to improve business integrity support provided by HMG, both in the UK - via the Business Integrity Hub - and in three pilot countries (Kenya, Pakistan, Mexico).</p> <p>The Bill has directly supported more than 250 businesses. The products and services have been highly rated by users in terms of quality and relevance to businesses, with average scores ranging between 3.3/4 and 3.9/4.</p> | Ongoing |

Governance and the Public Private Partnership

| Action | Original Due Date and Status | Update | Revised due date if applicable |
|---|------------------------------|--|--------------------------------|
| 50. Review the economic crime governance | September 2019 / Complete | A governance review was completed in September 2019 and concluded that the original structures should be retained as they support effective decision making and involvement from public and private sector stakeholders. The Civil Society Organisations Steering Group has been established to provide transparency of decision making to civil society. | Complete |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 51. Develop stronger public private and private-private partnerships | Ongoing / In Progress | <p>The government is updating its engagement strategy for economic crime in light of the new ways of working from the pandemic; looking for opportunities to develop new public private relationships and strengthen existing communications channels to better coordinate the delivery of the Plan across industry.</p> <p>UK Finance convened a cross-sector meeting to test the readiness of financial crime compliance for the end of EU transition, including representatives of banks, asset management, digital payments, the legal and accountancy sectors. As part of wider preparations for the end of transition UK Finance has raised awareness of sanctions screening issues with a wider range of regulated and non-regulated sectors, including maritime and commercial list providers.</p> | Ongoing |
| Action | Original Due Date and Status | Update | Revised due date if applicable |
| 52. Enhance engagement with civil society | Ongoing / Complete | In Autumn 2020 the Civil Society Organisations Steering Group collectively defined the group's priority areas for progress as: corporate transparency reform, fraud policing and enforcement, SARs and AML Supervision Reforms, corporate liability reforms and Economic Crime governance. | Complete |
| At the February 2021 Economic Crime Strategic Board, it was agreed to go further and faster against several of these actions. Detail can be found in the Forward Delivery Plan of this Statement of Progress. | | | |