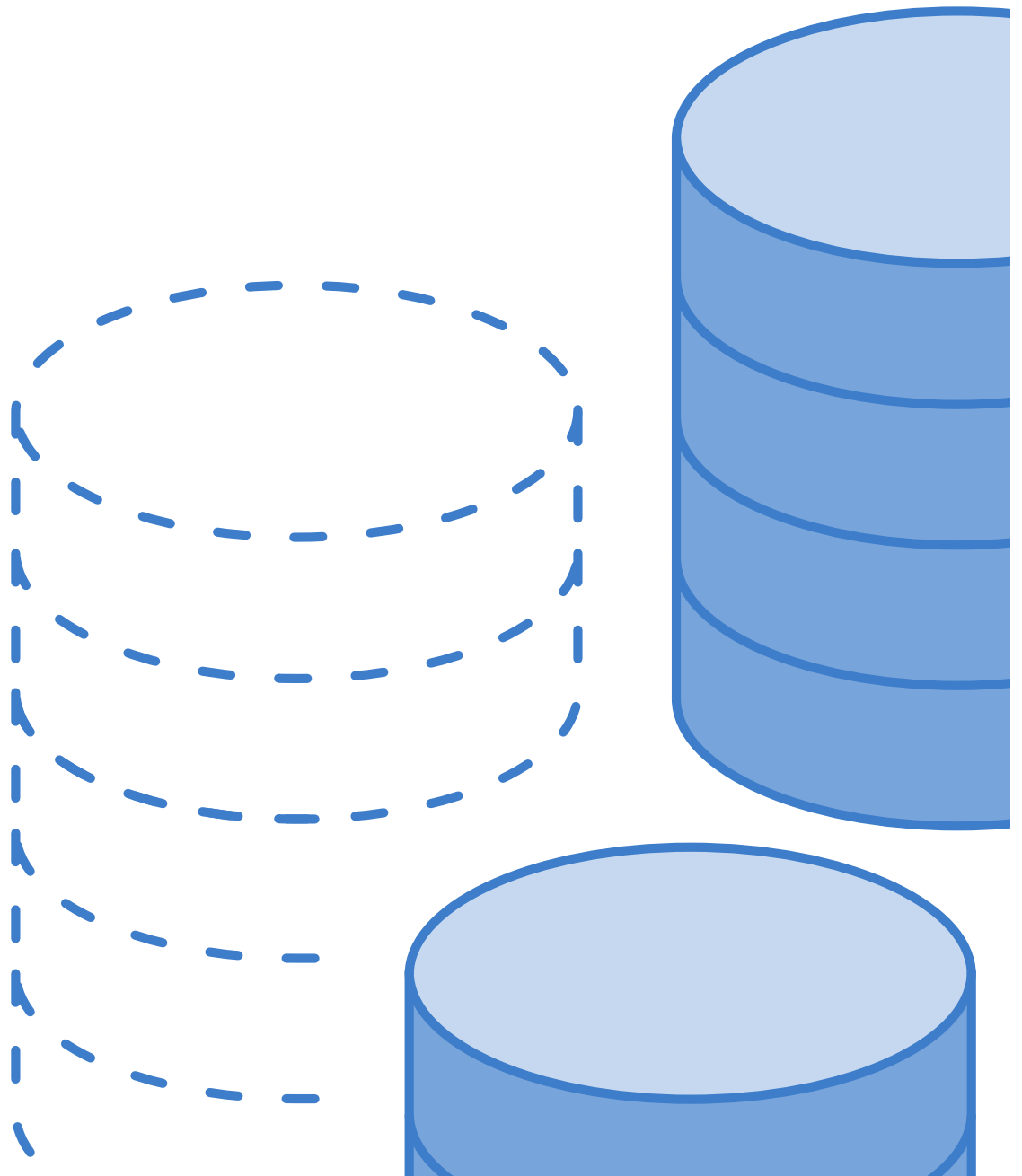




HM Government

Economic Crime Plan 2

2023-2026





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Contents

Ministerial foreword 4

Industry foreword 6

Chapter 1

Overview and approach 8

Reduce money laundering and recover more criminal assets 16

Combat kleptocracy and drive down sanctions evasion 46

Cut fraud 56

- Fraud against the individual and business 56

- Modernise the response and reduce the impact of fraud against the Public Sector 57

Reduce the threat international illicit finance poses to the UK and UK interests 63

Cross cutting system reforms and capabilities 68

Chapter 2

Measuring progress and governance 83

- Assessing progress and impact 83

- Delivery governance 86

Annex

Support for the Economic Crime Plan 2 88

Ministerial foreword



Economic crime poses a rapidly growing, and increasingly complex, threat to UK national security and prosperity. Criminals continue to seek ways to commit, and benefit from, economic crime including fraud, money laundering, sanctions evasion and corruption. This fuels the serious organised crime that damages the fabric of society, causes immense harm to individuals' finances, wellbeing and the interests of legitimate businesses, and undermines our international reputation.

We are fully committed to pursuing criminals, kleptocrats, and enablers of economic crime. Last year saw the UK take significant action. The government introduced the Economic Crime (Transparency and Enforcement) Act to tackle foreign criminals using UK property to launder money and enhance sanctions enforcement; and established the Combating Kleptocracy Cell. Further legislation through the Economic Crime and Corporate Transparency Bill, and the Online Safety Bill will give us the tools to transform our fight through a more transparent corporate register and new obligations on the technology sector to help prevent economic crime facilitated online.

The first Economic Crime Plan (2019-2022) represented a step change in the UK's response to economic crime. For the first time the government, law enforcement, supervisory agencies and the private sector jointly developed and delivered an ambitious range of activities as part of a shared strategy. In this second Plan we have taken a truly multi-stakeholder approach, working closely with a greater range of partners to establish a Plan that reflects their wider concerns and priorities.

That is why we are proud to publish this second public-private Economic Crime Plan, which targets the challenges we face head on. The Plan's outcomes-focused approach reflects a shared focus on directing public-private resource towards agreed priorities, to maximise collective, "whole-system" impact against the threat. The Plan encompasses fraud through the forthcoming Fraud Strategy and will ensure the public are empowered to protect themselves against fraud and the harm that comes with it.

We will measure the impact of our activity to ensure the Plan is responsive to developments, and is supported by sustainable funding. This includes the new sustainable funding model which, through the combination of Government spending and the Economic Crime (Anti-Money Laundering) Levy, is already providing new investment of £400 million from 2022 through to 2025.

The Plan also reflects the Budget's commitments to strong and sustained economic growth. Its delivery will support business investment and is essential to the long-term competitiveness of our world-leading financial, professional services and growing technology sectors. Crucial to this is ensuring the UK remains one of the most transparent, safe, and open places for business - this Plan reflects that ambition.

A handwritten signature in black ink that reads "Suella Braverman". The script is fluid and cursive, with the first letter 'S' being particularly large and prominent.

**The Rt Hon Suella Braverman KCMP,
Home Secretary.**

A handwritten signature in black ink that reads "Jeremy Hunt". The signature is written in a more blocky, less cursive style than the one above, with the first letter 'J' being very large and the last letter 't' having a long, sweeping tail.

**The Rt Hon Jeremy Hunt MP,
Chancellor of Exchequer.**

Industry foreword



The financial, legal, accountancy and insurance sectors are committed to tackling economic crime and welcome this second Economic Crime Plan as an opportunity to support our role as responsible gatekeepers to the legitimate economy.

Over the past four years since the first Plan was agreed, our sectors have invested significant resource in working closely with law enforcement, regulators and the government to stem the flow of illicit finance that underpins serious and organised crime. The second Plan looks to build on this partnership by bringing a new focus to fraud and sanctions evasion, and by setting new ambitions to rationalise and strengthen the economic crime system, so that public and private sector actors are all addressing the same priorities.

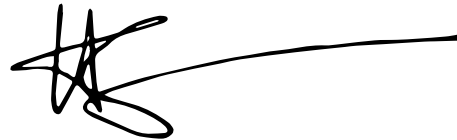
The continued redesign of the system is essential for the private sector to focus on what delivers the best outcomes for the UK's economy and society. The first Plan demonstrated the added value of voluntary private sector efforts going beyond legal duties. We will now strengthen system leadership to enhance our response to new and emerging threats, through an improved collective understanding of risk and prioritisation to drive coherent action across the public and private sector. It is important that renewed efforts called for by this updated Plan continue to be guided by risk-based regulation and supervision, to ensure these resources are most effectively focused.

With this second Plan, the UK has the opportunity to take a more comprehensive approach to improve the effectiveness of the money laundering regulations, refine the structure of our supervisory regime and strengthen the guidance regime. Endeavors to tackle economic crime can be supported by improved information sharing and wider structural reforms, including the planned new legal powers to transform Companies House into a proactive gatekeeper, and a clearer regulatory and fraud prevention framework for new private sector gatekeepers to the digital economy.

Collaboration against economic crime is more important than ever given the threat posed to national security. From the 2018 Salisbury poisoning to the 2022 Russian invasion of Ukraine, our sectors have worked closely with government and law enforcement to support a clear and decisive response to sanctions evasion and corrupt elites who seek to launder the proceeds of corruption in the UK. To tackle fraud at source we must establish a whole-system approach across industry initiatives, online prevention, public-private partnerships and the Government Fraud Strategy, including closing vulnerabilities and commensurate resourcing for law enforcement and the criminal justice system.



Bob Wigley
Chairman
UK Finance



Hannah Gurga
Director General
ABI



Michelle Giddings
Co-Chair
Accountancy AML Supervisor's Group



Elaine Smyth
Co-Chair
Accountancy AML Supervisor's Group



Ian Jeffery
Chief Executive
The Law Society of England and Wales

Chapter 1

Overview and approach

- 1.1.** Economic crime poses a significant threat to our national security and the prosperity of the UK. The Government's refresh of the Integrated Review¹ reaffirms the significant impact that economic crime and illicit finance have across many national security threats.

Economic crime refers to a broad category of activity involving money, finance or assets, the purpose of which is to unlawfully obtain a profit or advantage for the perpetrator or cause loss to others. This poses a threat to the UK's economy and its institutions and causes serious harm to society and individuals.

- 1.2.** Economic crime encompasses deeply harmful and systemic threats to our way of life. An estimated 1 in 15 adults were victims of fraud in the year ending September 2022;² money laundering underpins organised crime including the drugs trade and human trafficking; and Russia's invasion of Ukraine highlighted the need to do more to tackle kleptocratic regimes and sanctions evasion.

- 1.3.** The first Economic Crime Plan³ published in 2019 built on the foundations of our existing response to combatting economic crime by bringing together the capabilities, expertise and intelligence of the public and private sectors for the first time and setting out a joint vision for change:

For the public and private sectors to jointly deliver a holistic plan that defends the UK against economic crime, prevents harm to society and individuals, protects the integrity of the UK economy, and supports legitimate growth and prosperity.

1 [Integrated Review Refresh 2023: Responding to a more contested and volatile world \(gov.uk\)](#).

2 [Crime in England and Wales: year ending September 2022 – Office for National Statistics – \(ons.gov.uk\)](#).

3 [Economic Crime Plan 2019-2022 \(gov.uk\)](#).

- 1.4. This public private partnership has been pivotal to progress. Through the first Plan, we improved our understanding of the threat through a series of joint public-private threat assessments, including the National Risk Assessments of Money Laundering and Terrorist Financing,⁴ and Proliferation Financing,⁵ and the National Strategic Assessment produced by the National Crime Agency (NCA).
- 1.5. We strengthened our law enforcement response and legislative and regulatory frameworks, including through reforms to the Suspicious Activity Report (SARs) regime, and a comprehensive review of the UK's Money Laundering Regulations (MLRs) that will guide our approach to improving the effectiveness of the MLRs and refining the structure of our supervisory system.
- 1.6. The introduction of landmark legislation – the Economic Crime (Transparency and Enforcement) Act, the Economic Crime and Corporate Transparency Bill, and the Online Safety Bill – will give us further tools to transform our fight against economic crime.
- 1.7. We have enhanced our cooperation domestically and internationally to combat economic crime and illicit finance and have also seen notable operational successes.

Case study:

In February 2022, the Joint Money Laundering Intelligence Taskforce (JMLIT+) Operations Group, a public private partnership hosted in the NCA's National Economic Crime Centre (NECC), supported the Ministry of Defence Police with an investigation into fraud, bribery, and money laundering. The case concerned fraud against the Ministry of Defence in respect of contracts issued to a UK corporate entity for the provision of worldwide logistical support to the Ministry of Defence. As a direct result of intelligence provided through public-private collaboration under JMLIT+, 45 previously unknown accounts were identified and £53 million of funds were restrained.

4 [National risk assessment of money laundering and terrorist financing 2020 \(gov.uk\)](#).

5 [National risk assessment of proliferation financing \(gov.uk\)](#).

- 1.8.** However, the threat from economic crime continues to grow. Fraud accounted for an estimated 41% of all crime experienced by adults in England and Wales in the year ending September 2022.⁶ The NCA assesses it is a realistic possibility that over £100 billion pounds is laundered every year through the UK or through UK corporate structures using High End Money Laundering methods.⁷ Russia's invasion of Ukraine has highlighted the already-growing threat posed by kleptocracies. Global financial centres must continue to cooperate to stop laundering the wealth of nations stolen by criminal regimes and corruption.
- 1.9.** This three-year Plan sets out an ambitious strategy to meet these challenges as we continue to transform the UK's response to economic crime.
- 1.10.** This second Plan seeks to build on the foundations laid in the first Economic Crime Plan - to focus more directly on impact and outcomes, and in turn help to cut crime, protect our national security, and support the UK's legitimate economic growth and competitiveness. It also builds on the public-private partnership, expanding to take a truly multi-stakeholder approach to its development and implementation.
- 1.11.** This Plan is underpinned by significant investment of £400 million from financial year 2022/23 to financial year 2024/25. This funding represents £200 million of government investment and £200 million from the Economic Crime (Anti-Money Laundering) Levy, which provides sustainable, long-term funding to combat economic crime.⁸
- 1.12.** The Plan sets out a holistic response to tackling economic crime. It acts as the overarching document under which also sits the forthcoming Fraud Strategy and alongside the forthcoming new Anti-Corruption Strategy, as well as the commitments made through the recent review of the UK's Anti Money Laundering / Counter-Terrorism Financing (AML/CFT) regulatory and supervisory regime.⁹

6 [Crime in England and Wales: year ending September 2022 – Office for National Statistics – \(ons.gov.uk\)](https://ons.gov.uk).

7 [NCA National Assessment Centre assessments \(nationalcrimeagency.gov.uk\)](https://nationalcrimeagency.gov.uk).

8 The levy will be paid by firms subject to the Money Laundering Regulations. This includes financial institutions, cryptoasset exchanges, money service businesses, casinos, high-value dealers, art market participants, letting and estate agents, lawyers, accountants, and trust and company service providers, to help fund new government action to tackle money laundering.

9 [Review of the UK's AML/CFT regulatory and supervisory regime \(gov.uk\)](https://gov.uk).

1.13. This Plan places a clear focus on achieving tangible outcomes, and commits us to:

ML Reduce money laundering and recover more criminal assets.

S Combat kleptocracy and drive down sanctions evasion.

F Cut fraud.

Whilst the commitments in this Plan are set out under specific ‘outcome’ pillars, we have indicated (using the key above) where these actions will help deliver improvements to achieve outcomes across the economic crime system (including to cut fraud), with delivery dates set in quarters of the calendar year.

1.14. It will also focus on new ambitious reforms which are critical to deliver our commitments across all three outcomes:

Key ideas



475 new financial crime investigators dedicated to tackling money laundering, and asset recovery.



A new Crypto Cell combining law enforcement agencies and regulators to pool expertise and enforcement tools to tackle the criminal abuse of cryptoassets.



An expanded Combatting Kleptocracy Cell, using the NCA's expertise to target corrupt elites, their money, and their enablers.



A new approach to public-private prioritisation, including joint priorities to maximise public and private resources to prevent, detect and disrupt economic crime.



Ambitious reform of the UK's supervisory regime and encouraging greater information and intelligence sharing to better identify and target criminality.



New state-of-the-art technology, using tools such as advanced data analysis to stay ahead of criminals and give law enforcement agencies the intelligence they need.

1.15. The diagram below sets out the three key outcomes, and cross-cutting reforms which are prioritised in the Plan. Under each is an overview of the activities to be taken to achieve these outcomes over the lifetime of the Plan.



The governance processes are set out in [Chapter 2](#).

Enable legitimate economic growth





Reduce money laundering and recover more criminal assets

-  Limit abuse of UK corporate structures
-  Increase the effectiveness of the UK's AML/CFT regulatory and supervisory regime
-  Combat criminal use of cryptoassets
-  Improve intelligence, feedback and analysis through SARs Reform
-  Recover more criminal assets
-  Lead the cross-system operational response to money laundering

Combat kleptocracy and drive down sanctions evasion






-  Continuously improve financial sanctions design, implementation and enforcement
-  Strengthen operational and international response to kleptocracy

Cut fraud

-  Pursue fraudsters
-  Block frauds
-  Empower people
-  Modernise the response and reduce the impact of fraud against the public sector through the Public Sector Fraud Authority

Reduce the threat international illicit finance poses to UK and UK interests

Enabled by cross-cutting system capabilities and reform

-  System prioritisation
-  Funding
-  Law enforcement capacity and public-private workforce strategy
-  Information sharing, data and technology
-  Criminal justice system capacity

Impact assessed through monitoring and evaluation

A UK wide approach

- 1.16.** The Government's response to economic crime is led by the Home Office and HM Treasury, and the two departments co-ordinate efforts across Government and agencies to combat economic crime. Key responsibilities are also held by the Department for Business and Trade (DBT), the Foreign, Commonwealth and Development Office (FCDO), and many others.
- 1.17.** The National Economic Crime Centre (NECC) hosted in the NCA leads the cross-system operational response to economic crime. Bringing together law enforcement and prosecutors, government departments, regulatory bodies and the private sector, to coordinate a whole system, 4P (Prevent, Protect, Prepare, Pursue) response.
- 1.18.** This Plan is applicable to the whole of the UK, except where policies are devolved and there are differences in the levers the UK Government and devolved governments hold in the response to economic crime. The policing response to serious and organised crime is a devolved matter in Scotland and Northern Ireland.
- 1.19.** The Scottish Government is responsible for criminal justice policy in Scotland. The Crown Office and Procurator Fiscal Service, which operates under the authority of the Lord Advocate, is the sole prosecuting authority, responsible for the investigation and prosecution of crime.¹⁰ Police Scotland is the single police service in Scotland, and works closely with the National Crime Agency (NCA), HM Revenue and Customs (HMRC), the Financial Conduct Authority (FCA) and other relevant agencies in investigating economic crime. The Scottish Crime Campus is a multiagency centre, established by the Scottish Government in 2015, which accommodates the key agencies involved in tackling economic crime in Scotland.

¹⁰ The responsibilities of the Lord Advocate and the Crown Office and Procurator Fiscal Service apply to crimes which are reserved (e.g. money laundering) and to crimes which are devolved (e.g. fraud, embezzlement, bribery).

1.20. In Northern Ireland, the Department of Justice is responsible for devolved policing and justice functions, including criminal justice policy, which falls within the competence of the Northern Ireland Assembly. The Police Service of Northern Ireland (PSNI) is the single police service in Northern Ireland and is the lead operational agency for serious and organised crime in Northern Ireland working closely with the NCA, HMRC, and other relevant agencies in investigating economic crime. The Public Prosecution Service for Northern Ireland is the prosecuting authority. The key agencies with a focus on tackling economic crime in Northern Ireland collaborate at a strategic level under the Organised Crime Task Force. Tackling economic crime and fraud are key priorities under the Northern Ireland Organised Crime Strategy.¹¹

1.21. Policing and justice are not devolved to the Welsh Government.

¹¹ [Organised Crime Strategy \(justice-ni.gov.uk\)](https://www.justice-ni.gov.uk/organised-crime-strategy).

Reduce money laundering and recover more criminal assets

Introduction

- 2.1.** The UK remains one of the world's largest and most vibrant financial centres which, alongside the UK's relative economic stability and open economy, is attractive to those wanting to commit both High-End Money Laundering (HEML) and Cash Based Money Laundering (CBML). It is a realistic possibility that over £100 billion is laundered through and within the UK or UK registered corporate structures each year using HEML methods, with CBML highly likely to be over £12 billion each year.¹²
- 2.2.** Money laundering is the lifeblood of organised crime, allowing organised crime groups to enjoy the proceeds of their harmful criminal activity. Understanding its methods and vulnerabilities is crucial to stopping money laundering activity. The majority of criminal cash generated in the UK is linked to illicit drugs and excise fraud; crimes that damage our society and economy.¹³ Money laundering weakens the credibility of our financial system and can support unfair business practices that undermine fair competition in our economy as well as overseas.
- 2.3.** The government is clear that criminals should not be able to profit from their illegal activities in any circumstances – which is why we are cracking down on dirty money through our robust legislation and strengthened law enforcement response. There is, however, more to do. The 2020 National Risk Assessment (NRA) of Money Laundering and Terrorist Financing¹⁴ identified that the scale of the threat is growing across several areas and becoming more complex, as criminals exploit available technology to communicate, commit crimes, and hide their profits.

12 [NCA, National Assessment Centre assessments \(nationalcrimeagency.gov.uk\)](https://nationalcrimeagency.gov.uk).

13 [NCA, National Assessment Centre assessments \(nationalcrimeagency.gov.uk\)](https://nationalcrimeagency.gov.uk).

14 [National risk assessment of money laundering and terrorist financing 2020 \(gov.uk\)](https://gov.uk).

- 2.4.** The existing threat picture, combined with the way in which Russia's invasion of Ukraine has highlighted the need to do more to combat kleptocratic regimes, reinforces the importance of strengthening our response to illicit finance both at home and overseas. The government's ambition in this area has already been set out in the Beating Crime Plan¹⁵ where we have committed to making the UK the hardest place in the world for criminals to make and export money by strengthening the money laundering response, recovering more assets, and boosting law enforcement capability.
- 2.5.** Through this second Economic Crime Plan, we are developing an improved end-to-end response to tackling money laundering, from limiting the abuse of UK corporate structures through to the recovery of criminal assets.

Limit abuse of corporate structures

- 2.6.** Companies House facilitates the creation of limited companies and a range of other legal entities, which are vital building blocks of the modern economy. The ability to incorporate leads to benefits for business, such as providing limited liability for the debts of the company and establishes a company as a legal person separate from its owners. The total value of incorporation to owners of limited liability companies with 0 to 9 employees is estimated at £9.6 billion.¹⁶
- 2.7.** While the vast majority of UK corporate entities operate to the highest standards and with legitimacy, a small proportion do not. However, the abuse of even a small proportion of UK corporate structures is a critical enabler of all forms of economic crime, with tens of billions of pounds likely laundered through UK-registered corporate structures every year.¹⁷ Alongside UK companies, the use of overseas corporate entities and trusts remains an attractive method to launder illicit funds, particularly in the purchase UK property which faces a high risk from money laundering. Last year the government introduced the Register of Overseas Entities, which requires overseas companies to reveal the real identities of their owners (including where a trust is part of the structure) to make sure that criminals cannot hide behind secretive chains of shell companies, setting a global standard for transparency and making it harder to launder illicit funds through the UK property market. The government must now take further coordinated steps using our enhanced regulatory, supervisory and enforcement toolkit, to identify such rogue structures more quickly and effectively and do more to hold those who own and control them to account.

¹⁵ [Beating crime plan \(gov.uk\)](#).

¹⁶ [Understanding the reasons for forming a company \(gov.uk\)](#).

¹⁷ [NCA, National Assessment Centre assessments \(nationalcrimeagency.gov.uk\)](#).

- 2.8.** We are taking robust action through the Economic Crime and Corporate Transparency Bill.¹⁸ This will reform the role of Companies House and improve transparency in relation to UK companies and partnerships, to strengthen our business environment, support our national security and combat economic crime, whilst delivering a more reliable Companies Register to underpin business activity.
- 2.9.** The focus within this Plan is to deliver these reforms, which will constitute the most significant changes to the UK's framework for registering companies in the last 170 years. The reforms will bear down on the risk of UK companies and other entities being used as vehicles for facilitating money laundering, fraud, corruption, terrorist financing and illegal arms movements. Reform of Companies House will also support wider work to tackle economic crime, including new forms of data sharing to identify suspicious networks of companies.
- 2.10.** The Bill will provide the Registrar of Companies with enhanced powers, enabling them to become a more active gatekeeper over company creation and custodian of more reliable data concerning companies and partnerships. Companies House will be able to verify the identities of those setting up, managing, and owning companies, use enhanced intelligence capabilities to challenge and reject information filed with it, and proactively share information where it has evidence of anomalous filings or suspicious behaviour.
- 2.11.** These new powers will support wider work to establish a more effective, risk-based approach to preventing abuse of the UK corporate structures. Companies House will work with the NECC to use its public-private capabilities to assess vulnerabilities and take joint action against threats to the integrity of the Companies Register and the abuse of corporate structures. Early work will include investigations to identify and tackle networks of suspicious companies, and support for Companies House oversight of authorised corporate service providers undertaking verification on its behalf.

18 **Economic Crime and Corporate Transparency Bill** (bills.parliament.uk/bills/3339).

Key:

ML Reduce money laundering and recover more criminal assets.

S Combat kleptocracy and drive down sanctions evasion.

F Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|---|-------|----------------------------|--|---|
| 1. | Complete legislation underpinning reform of Companies House and limited partnerships. | DBT. | CH, HO, HMT, NECC, HMRC. | Royal Assent of Economic Crime and Corporate Transparency Bill (DBT/HO). | Q2 2023. (subject to Parliamentary passage) |
| | ML S F | | | Timeline for secondary regulations confirmed (DBT/HO). | Q2 2023. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|--|-------|--|--|---|
| 2. | Complete operational implementation of reform, including capabilities to underpin new Registrar of Companies' powers. ML S F | CH. | DBT, Insolvency Service, NECC, HMRC, AML supervisors, OPBAS, UK Finance, AML regulated sector. | Initial capabilities in place to deploy Registrar of Companies' new powers, beginning the phasing in of intelligence-led approach to identifying high-risk activity on Companies House registers and deploying querying and other powers to mitigate risks (CH). | To be confirmed following Royal Assent of the Bill. |
| | | | | Establishment of robust, joined-up scrutiny process for onboarding authorised corporate service providers between CH and AML supervisors (CH). | To be confirmed following Royal Assent of the Bill. |
| | | | | Roll-out of ID verification to new and existing directors, partners, presenters and People with Significant Control (CH). | To be confirmed following Royal Assent of the Bill. |
| | | | | Roll-out of new data-sharing approaches including reformed approach to discrepancy reporting (CH). | To be confirmed following Royal Assent of the Bill. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|--|-----------|---|---|---------------|
| 3. | Maximise the value of reforms by integrating Companies House into the wider anti-Economic Crime Framework. | CH, NECC. | Insolvency Service, AML Supervisors, OPBAS, AML regulated sector, DBT, HO, HMT. | Companies House brought whole-sale into Economic Crime Plan and NECC governance systems (NECC, CH, HMRC, FCA). | Q2 2023. |
| | ML S F | | | Establishment of a NECC/CH integration group to assess vulnerabilities and prioritise opportunities for joint activity (NECC, CH, supervisors, AML regulated sector). | Q3 2023. |
| | | | | Joint activity to support ongoing CH oversight of authorised corporate service providers (CH, AML supervisors, AML regulated sector, NECC). | Q4 2023. |
| | | | | Initial joint activity to develop risk indicators to support CH monitoring and investigation of existing companies and partnerships (CH, NECC, AML regulated sector). | Q1 2024. |
| | | | | Agree a cross-cutting action plan to tackle residual/new vulnerabilities (NECC, CH, AML supervisors). | Q1 2024. |

Increase the effectiveness of the UK's AML/CFT regulatory and supervisory regime

2.12. The UK's Anti Money Laundering/Combating Financing of Terrorism (AML/CFT) regulatory and supervisory regime is a critical component of the fight against economic crime. A review of the regime, published in June 2022,¹⁹ found that improvements have been made since the implementation of the Money Laundering Regulations (MLRs) 2017²⁰ and the Oversight of Professional Body AML/CFT Supervision Regulations 2017.²¹ However, there is still further to go to ensure that businesses most vulnerable to abuse for money laundering or terrorist financing have strong and proportionate preventative measures in place, and are subject to effective, risk-based supervision.

Case study:

The 2020-22 AML/CFT supervision report, published by HM Treasury, demonstrates improvements in several areas of supervision, particularly in the strength of enforcement measures taken against non-compliant firms, despite practical challenges caused by the COVID-19 pandemic and subsequent lockdown measures.

This continues the trend of year-on-year improvements to the UK's AML regime in recent years, particularly since the introduction of the Office of Professional Body AML Supervision (OPBAS) in 2018. OPBAS was specifically established to drive improvements across the Professional Body Supervisors.

Supervisors imposed 660 sanctions in total (including fines, membership withdrawals and membership cancellations or suspensions) following supervisory interventions in 2021-22, compared to 422 in 2020-21. This includes 614 fines issued for anti-money laundering failings in 2021-22, compared to 364 in 2020-21. The total sum of fines increased from just over £109 million in 2020-21 to more than £500 million in 2021-22.²²

Building on these regular published reports on supervisory activity, HM Treasury has committed to developing a revised set of priority indicators, with the aim of providing clearer feedback on the overall effectiveness of the Money Laundering Regulations.

19 [Review of the UK's AML/CFT regulatory and supervisory regime \(gov.uk\)](#).

20 [The Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 \(legislation.gov.uk\)](#).

21 [The Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017 \(legislation.gov.uk\)](#).

22 HM Treasury (2022). [Anti-money laundering and countering the financing of terrorism: Supervision Report 2020-22 \(publishing.service.gov.uk\)](#).

- 2.13.** The UK's exit from the EU has offered the opportunity to consider where current AML/CFT regulatory requirements are not fully suited to the UK's situation, while ensuring we can respond quickly to new threats and remain fully aligned with the international standards set by the Financial Action Task Force (FATF). The 2022 Review of the UK's Anti-Money Laundering regulatory and supervisory regime²³ set out updated objectives for the next phase of the development of the MLRs and the wider AML/CFT regime, aligned with the intended outcomes of this wider Economic Crime Plan. These objectives involve the public and private sectors working in partnership and focusing on issues beyond technical compliance. Renewed collaboration will, for example, consider shared challenges such as how effectively the UK's financial system and broader economy are protected from threats.
- 2.14.** The government is confident that most of the requirements and provisions currently in the MLRs are the right ones. However, the 2022 review proposed some specific changes to improve the implementation of the risk-based approach and we will consult further on these. While some of the barriers to effectiveness that have been identified may have legislative solutions, many do not, and there are also those for which the solutions are not yet clear. In these cases, we have proposed further work, or further engagement to improve the implementation of the regulatory framework. This will include principles to strengthen the guidance regime that assists businesses in complying with the MLRs, focusing on improving the consistency and timeliness of guidance updates.
- 2.15.** While improvements have been made, the government is also clear that further reform of the AML/CFT supervisory regime is needed. The 2022 review laid out a shortlist of four options for reform, and we will consult further before selecting and implementing the chosen model. It is essential that the chosen model delivers the required improvements in effectiveness, both to strengthen confidence in the AML/CFT regime and the integrity of the UK economy, but also to support broader economic crime goals. Authorised company service providers will play a key role in Companies House identity verification, and supervisory reform will support work to strengthen the AML supervision of these businesses. Any changes to the regime could take place over a period of years, particularly for major structural reform.

- 2.16.** In the interim, we will continue to work with supervisors to ensure that shorter-term improvements to effectiveness are still achieved while longer-term reform options are developed. This will be assisted by a greater focus on the effectiveness of the supervision regime, including through the creation of the new performance framework recommended by the 2022 review, and the updated OPBAS sourcebook²⁴ which focuses on driving improvements in effectiveness across the Professional Body Supervisors (PBS). Supervisors will continue to make improvements against these frameworks; working with their sectors, law enforcement and Companies House to improve risk understanding and protect against emerging threats, exploring the opportunities presented by new technologies, and taking appropriate enforcement action to respond to identified breaches of the MLRs and deter future non-compliance.
- 2.17.** Recent legislative changes have expanded the powers available to supervisors, for example expanding the information sharing gateway in the MLRs, as well as the expanded fining powers and new regulatory objective for the legal sector provided by the Economic Crime and Corporate Transparency Bill. The updated OPBAS sourcebook makes clear to PBS that participation in information and intelligence sharing groups, such as their sector Intelligence Sharing Expert Working Group, is essential to their effectiveness as a supervisor. The government will continue to work with supervisors to implement these changes successfully and ensure clear expectations are set for firms.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|--|-------------|----------------------------|---|--|
| 4. | Strengthen HMT and OPBAS's existing oversight, alongside wider commitments from the 2022 review aimed at improving the effectiveness of the existing AML/CFT supervisory regime. | HMT, OPBAS. | All AML supervisors. | Development of Money Laundering Regulations performance framework and priority indicators (HMT). | Q2 2023. |
| | ML | | | Implement enhanced oversight strategy of existing supervision regime to ensure effectiveness against performance framework and OPBAS sourcebook (HMT, OPBAS). | Ongoing – progress set out annually in published HMT AML Supervision Report. |
| | | | | Embed the refreshed OPBAS sourcebook setting out requirements and best practice for Professional Body Supervisors (OPBAS). | Q4 2023. |
| | | | | Review of required reporting by AML/CFT supervisors, such as the PBSs' Reg 46A reports and HMRC's annual self-assessment, to help monitor delivery against the performance framework. (HMT, OPBAS). | Q4 2023. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|--|-------|-----------------------------------|--|---------------|
| 5. | Strengthen supervision across the current AML/CFT regime. ML | HMT. | All AML supervisors, OPBAS, NECC. | Improved communication to supervised populations to strengthen risk understanding (Supervisors, OPBAS, HMT, NECC). | Ongoing. |
| | | | | Strengthened collaboration between supervisors and law enforcement to share information on new and emerging threats (AML Supervisors, OPBAS, HMT, NECC). | Q4 2024. |
| | | | | Develop a strategy for how to address financial crime related to Environmental, Social, and Governance issues (FCA). | Q4 2024. |
| | | | | Explore options for targeting supervisory activity more effectively, for example by piloting new technologies for assessing the risk of individual firms, and for testing the effectiveness of firms' policies, controls and procedures (AML Supervisors). | Q1 2025. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|--|-------|---|---|---------------------------------------|
| | | | | Set clear supervisory expectations through communications to supervised populations, including interactions with wider regulatory objectives. Ensure enforcement action taken against AML/CFT breaches is appropriate, proportionate, and dissuasive (AML Supervisors). | Ongoing. |
| 6. | Consult, and then deliver an agreed package of changes, to reform the UK's AML/CFT supervisory regime and improve the effectiveness of the Money Laundering Regulations. | HMT. | All AML supervisors, OPBAS, AML regulated sector. | Consultation on proposed amendments to the supervisory regime (HMT). | Q2 2023. |
| | | | | Consequent implementation of chosen reform package (HMT). | Dependent on outcome of consultation. |
| | ML | | | Begin consultation on proposed amendments to the Money Laundering Regulations (HMT). | Q4 2023. |
| | | | | Consequent implementation of chosen amendments (HMT). | Dependent on outcome of consultation. |

Combat criminal abuse of cryptoassets

- 2.18.** Cryptoassets provide a near-instant and low-cost way to transfer value across borders. Whilst the vast majority of cryptoasset transfers are conducted for valid purposes, they are an attractive technological enabler for criminal activity. Determining the proportion of illicit crypto addresses and transactions is difficult due to a number of factors including the pseudo-anonymous and transnational nature of cryptoassets and services, and the under-reporting of crimes involving cryptoassets. However, intelligence demonstrates growing criminal acquisition and abuse of cryptoassets linked to a wide range of predicate offences, alongside their widespread adoption by money launderers and International Controller Networks (ICN). The NCA's National Assessment Centre assesses that based on estimates of UK transaction volumes, illicit cryptoasset transactions linked to the UK in 2021 likely equated to at least £1.24 billion (~1% of total transaction value) with a realistic possibility they were significantly higher.²⁵
- 2.19.** Developments within the cryptoasset industry are fast and constantly evolving. This is why continued collaboration with the UK's cryptoasset sector is vital: it ensures our regulatory and supervisory system takes a targeted and proportionate approach to economic crime risks, fostering safe and competitive growth. The government continues to monitor and adapt to new developments in the cryptoasset industry to mitigate financial crime and other risks, particularly fraud. This ongoing engagement and monitoring supports law enforcement and supervisors keep up to date and react to changes in the sector. A staged and proportionate approach to regulation recognises that, challenging as it is, effective cryptoasset regulation benefits everyone, including consumers and firms. That is why, following ongoing consultation, the government will set out ambitious plans to protect consumers and grow the economy by robustly regulating cryptoasset activities – providing confidence and clarity to consumers and businesses alike.²⁶ These steps will be in keeping with our ambition to make the UK an attractive destination for cryptoassets and cryptoasset innovation in the world.

²⁵ NCA, National Assessment Centre, based on average USD-GBP conversion rate for 2021 (from exchangerates.org.uk/USD-GBP-spot-exchange-rates-history-2021.html).

²⁶ [Future financial services regulatory regime for cryptoassets \(gov.uk\)](https://www.gov.uk/government/consultations/future-financial-services-regulatory-regime-for-cryptoassets).

- 2.20.** Regulation is only part of the response. Expert-led multi-agency cells will pool the knowledge and abilities of law enforcement agencies, ensuring that all available enforcement tools are exploited efficiently to tackle criminality. Law enforcement training pathways will produce and maintain a pool of highly skilled investigators and intelligence officers. We will also strengthen technological capabilities across the system including reviewing and strengthening the secure storage of cryptoassets during legal proceedings. It is vital that as law enforcement begin to seize increasing volumes of cryptoassets the storage of cryptoassets is made more secure to help ensure assets can be returned to owners, returned to victims or sold.
- 2.21.** Due to regulatory developments in the UK and other economies, it is likely that criminals will continue to shift to using less regulated exchanges and services, including those based in less or poorly regulated jurisdictions. To mitigate this risk, we will continue to work collaboratively with other jurisdictions to ensure effective, joined up and robust international responses to the regulation, supervision and, where appropriate, prosecution of cryptoasset firms, avoiding gaps in our respective approaches. For example, the FCA is working closely with international counterparts on a bilateral basis to exchange information and share learning on our approach to regulating the sector beyond the UK's initial AML/CFT requirements.
- 2.22.** Complementing these international partnerships, the UK will continue to play a leading role in global standard setting bodies such as the FATF and the Financial Stability Board (FSB). Our leadership at these forums is crucial to shaping common frameworks, policy recommendations and principles for cryptoasset markets in a way that reflects the UK's risk-based approach to economic crime.

Key:

ML Reduce money laundering and recover more criminal assets.

S Combat kleptocracy and drive down sanctions evasion.

F Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|--|-------|--------------------------------------|---|---------------|
| 7. | Enhance law enforcement capacity and capability to pursue and prosecute the use of crypto/virtual assets to launder illicit finance. | NCA. | HO, HMT, CPS, NPCC, CoLP, HMRC, FCA. | Establish a multi-agency cell and virtual asset strategy (NECC). | Q4 2023. |
| | | | | Establish training opportunities for front-line officers, financial investigators, intelligence officers/analysts, and accredited crypto professionals (NECC). | Q4 2023. |
| | | | | Build upon expertise within the NCA Expert Laundering Evidence team to deliver expert advice in support of the courts (NECC). | Q4 2023. |
| | | | | Deliver training to law enforcement and partner agencies to improve understanding of the UK cryptoasset regime and the role of the FCA in supervising cryptoasset activity (FCA). | Q2 2024. |

ML S F

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|---|-------|-------------------------------|--|---------------|
| 8. | Close vulnerabilities that enable the illicit use of crypto-virtual assets through improvements to the legislative and regulatory regimes. ML S F | HMT. | FCA, HO, NECC, Crypto UK/EMA. | Implementation of the 'Travel Rule' ²⁷ requirement; passing of Economic Crime and Corporate Transparency Bill and continued development of the wider regulatory regime for cryptoassets (HMT/HO). | Q4 2023. |
| | | | | Engage with firms and monitor compliance on implementation of the Travel Rule, taking action against firms that fail to implement (FCA, HMT). | Q4 2023. |
| | | | | Update FCA crypto registration web pages and provide tailored communications where necessary to build understanding of cryptoasset regulations including examples of good and poor practices, expectations at the authorisations gateway, and planned reforms (FCA). | Q2 2024. |

27 FATF's Recommendation 16, known as the 'Travel Rule' requires countries Virtual Asset Service Providers (VASPs) obtain, hold, and transmit required originator and beneficiary information, immediately and securely, when conducting Virtual Asset (VA) transfers. This AML/CFT measure will enable VASPs and financial institutions to carry out effective sanction screening and detect suspicious transactions.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|----|---|-------|----------------------------|--|---------------|
| | | | | Enhance law enforcement and regulatory enforcement action through increased use of regulatory and criminal powers to tackle unlawful cryptoasset activity in the UK (FCA, NECC). | Q3 2025. |
| 9. | Strengthen and enhance technological capabilities across the system. ML S F | NECC. | FCA, HO, HMT. | Establish a private-public cell under the NECC's Public Private Operational Board to strengthen the public-private response to emerging crypto illicit finance (NECC, FCA, HMT, HO). | Q4 2023. |
| | | | | Use FCA data analytical tools to develop innovative ways to identify risks of illicit use of cryptoassets and share the results with partners (FCA). | Q4 2023. |
| | | | | Map and improve security around the storage of seized cryptoassets (HO). | Q1 2024. |
| | | | | Formalise and strengthen Public Sector access to Track and Trace technology (HO). | Q1 2025. |

Improve intelligence, feedback and analysis through Suspicious Activity Report (SARs) reform

- 2.23.** SARs are a vital source of intelligence provided by the private sector directly to UK law enforcement, alerting law enforcement to potential money laundering and terrorist financing. They assist in disrupting a wide range of harmful criminality including fraud, corruption, and sanctions evasion, as well as other serious and organised crime. In financial year 2021/22, SARs were used to identify just under 16,500 potential vulnerable persons for safeguarding and over £300 million was denied to suspected criminals as a result of Defence Against Money Laundering (DAML) SARs (refused and granted).²⁸ SARs have also been used in multiple analyses by law enforcement to improve its understanding of economic crime in the UK.
- 2.24.** The SARs Reform Programme began in 2019 to address variations in compliance reporting in some parts of the AML regulated sector and under reporting in others, increase the utilisation of SARs by law enforcement, modernise the technology used for SARs reporting and analysis, and increase the capacity of the UK Financial Intelligence Unit (UKFIU), hosted within the NCA. The programme has already completed the delivery of increased staff in the UKFIU and Regional Organised Crime Units (ROCU) and delivered the first beta release of the new SARs Digital Service improving reporting and data quality. Improved collaboration with the National Data Exploitation Centre (NDEC) now means that every SAR is matched against relevant data sets and used multiple times. The programme will also deliver legislative exemptions through the Economic Crime and Corporate Transparency Bill to reduce the regulatory burden on business.

Case study:

A reporter provided Defence Against Money Laundering (DAML) SARs related to the owner of a number of businesses. The UKFIU identified these businesses were of interest to the NCA Criminal Asset Denial Team who were supporting an overseas fraud investigation. The refused DAML requests enable a restraint order for over £40 million.

- 2.25.** Across the lifespan of this Plan, we will continue to strengthen the UKFIU's capacity, deliver the full UKFIU operating model, and complete the delivery of the new SARs Digital Service with new tools for the UKFIU, law enforcement, and other Government Departments. We will build on this foundation to deliver further changes on a continuous improvement basis, delivering the vision of the SARs Reform Programme to protect the public by disrupting money laundering, terrorist financing, and predicate offences.
- 2.26.** The design of the SARs Reform Programme has been informed by extensive analysis of international best practice. This has helped shape our approach to the role of the FIU as well as the utilisation and dissemination of SARs data. Reflecting this, delivery of the SARs Reform Programme will significantly enhance UKFIU analytical capabilities, enabling the UKFIU to play a greater role domestically and internationally in responding to economic crime threats. For example, this will result in an increase in the analysis of SARs and information exchange to support decision-making by law enforcement and supervisors, alongside increased engagement and feedback to the private sector including regionalised outreach to smaller, harder to reach sectors.
- 2.27.** The UKFIU resource uplift will include a proportion of FTEs dedicated to international liaison, who will support international projects, international requests for financial intelligence, and increased engagement and collaboration with partners in the Egmont Group of FIUs focussed on money laundering and terrorist financing threats. In addition, the Economic Crime and Corporate Transparency Bill will deliver enhanced powers for the UKFIU to request information on behalf of partners overseas. Increased international engagement and intelligence exchange will also contribute to wider analysis activity and a more detailed understanding of money laundering and terrorist financing threats, bringing benefits for both public and private stakeholders. Maximising the benefit of this resource will be dependent on delivery of wider IT capabilities and their integration with tools available to law enforcement.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|--------------|---|---|---------------|
| 10. | Complete delivery of the SARs Reform Programme. ML S F | HO. | NCA, UKFIU, HMRC, Policing, UK Finance, AML Regulated Sector. | Delivery of new SARs reporting technology (bulk reporting interface and SARs Online Portal) (NCA). | Q1 2023. |
| | | | | Delivery of new SARs database and law enforcement analytical tools (NCA). | Q3 2024. |
| | | | | Completion of UKFIU staff uplift (74 new staff to reach a total of 201 UKFIU employees) (UKFIU). | Q3 2024. |
| 11. | Build on the foundations of the SARs Reform Programme to enhance the effectiveness of SARs reporting and utilisation. ML S F | NECC, UKFIU. | HO, HMT, OPBAS, FCA. | Evaluation of options to streamline SARs and Fraud reporting (HO). | Q4 2023. |
| | | | | Development of roadmap for future changes to SARs including operational and technical changes to improve effectiveness (HO/UKFIU). | Q4 2023. |
| | | | | Explore options for increasing SARs access to support supervisory and compliance activity with a review of the current position, challenges and next steps (UKFIU). | Q4 2023. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---|--------|-------|----------------------------|---|---------------|
| | | | | Review of UKFIU capacity to assess whether further growth is required to maximise effectiveness (UKFIU). | Q3 2024. |
| | | | | Increase collection and use of performance data and reporting about SARs utilisation to inform strategic analysis and feedback to stakeholders (UKFIU). | Q4 2024. |
| | | | | Increased access for supervisors to bulk SARs and project to ensure enhanced use of SARs for criminal and regulatory purposes (FCA). | Ongoing. |

Recover more criminal assets

- 2.28.** Law enforcement have powers to recover criminal assets, thus disrupting and disincentivising criminals and stripping them of their ill-gotten gains. Both the Asset Recovery Action Plan²⁹ and first Economic Crime Plan have delivered substantial reforms in recent years, leading to record asset recoveries under the Proceeds of Crime Act 2002 (POCA) of £354 million in financial year 2021/22, the highest figure on record and a 61% increase compared to the previous year (based on nominal values, not adjusted for inflation).³⁰

Case study:

Following a Serious Fraud Office (SFO) investigation, in November 2022, Glencore Energy (UK) Ltd. was handed down the largest corporate sentence in a criminal conviction. This included a £93.5 million confiscation order which represented the benefit it obtained from bribes in five countries.

- 2.29.** While performance has improved substantially, the government recognise this represents only a small proportion of potentially laundered funds. Government and law enforcement agencies are committed to building on the success of last year by better exploiting our range of powers and new capabilities to tackle economic crime.
- 2.30.** Building on both the first Economic Crime Plan and the Asset Recovery Action Plan, an ambitious new Anti-Money Laundering and Asset Recovery (AMLAR) programme will be established to build capacity across the system to increase intelligence, investigative capability, and deliver improved technology. Through this work, more criminal assets will be recovered, depriving criminals of their proceeds of crime and using these proceeds to further combat economic crime and increase funds returned to victims. This co-ordinated, cross-system response set out below will be underpinned by additional law enforcement capacity and skills development, set out in the cross-system reforms and capabilities section. This also includes additional resources for CPS to complement the law enforcement uplift and increase capacity to recover criminal assets.

²⁹ [Asset recovery action plan \(gov.uk\)](#).

³⁰ [Asset recovery statistical bulletin: financial years ending 2016 to 2021 \(gov.uk\)](#).

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----------|--|-------|---|--|---------------|
| 12. | Develop a performance framework for asset recovery agencies, with a new social research team to review impact and share best practice. | HO. | | Implement a new performance framework (HO). | Q1 2025. |
| | | | | Fully embed a new social research team (HO). | Q4 2025. |
| ML | | | | | |
| 13. | Strengthen processes for international cooperation to improve cross-border asset recovery outcomes. | HO. | FCDO, JICC, HMRC UKCA, CPS, NCA, SFO, Police – hub to service all non-MLA requests. | Establishment of intelligence exchange hub in support of cross-border asset recovery (HO). | Q4 2024. |
| ML | | | | | |
| 14. | Increase the identification and seizure of assets by frontline policing and develop a consistent approach and centralised support for agencies to value and realise non-cash assets. | CoLP. | HO. | Develop a report which underlines options for civil recovery cases (CoLP). | Q1 2024. |
| | | | | Planning the acceptance criteria for support for the new National Asset Recovery Support unit to begin (CoLP). | Q1 2024. |
| ML | | | | | |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|----------|----------------------------|---|---|
| | | | | Deliver training pilot to non-specialist staff in asset recovery powers, across agencies (CoLP, NPCC). | Q1 2025. |
| | | | | National Asset Recovery Support Unit to begin to support civil recovery cases for law enforcement (CoLP). | Q1 2026. |
| 15. | Deliver new stable IT Platform to succeed the existing Joint Asset Recovery Database. ML | HO, NCA. | | Complete discovery phase and post options analysis (HO/NCA). Implement new IT system (HO/NCA). | Q3 2023. Dependent on Discovery phase. |
| 16. | Respond to the Law Commission Review on Confiscation and take forward any accepted changes to the Proceeds of Crime Act 2002 as parliamentary time allows. ML | HO. | | Respond to Law Commission Review (HO). Take forward any accepted changes to the Proceeds of Crime Act 2002 (HO). | Q3 2023. As parliamentary time allows. |

Lead the cross-system operational response to money laundering

2.31. The NECC leads and coordinates the whole system, 4P (Prevent, Protect, Prepare, Pursue) response to money laundering through:

- improving the UK's collective understanding of the threat to ensure activity is prioritised for greatest impact and effectiveness measured,
- leading and coordinating the PURSUE and 3P responses to have a significant impact on the threat, and
- using operational understanding to ensure the ability of the system to respond to the threat is enhanced e.g., Companies House Reform.

2.32. Closing vulnerabilities requires a holistic approach where systemic weaknesses in policy or legislation are identified, addressed and future proofed. The NECC's understanding of the threat and ability to transpose this into clear priorities for public and private sectors means it is uniquely positioned to lead this cross-system response.

2.33. As set out earlier in the Plan, recent trends have shown that UK corporate structures continue to be exploited as part of international and high-end money laundering networks to launder the proceeds of crime. In addition, criminals continue to rely on Cash-Based Money Laundering (CBML) methods; criminals have abused the everyday banking facility at the Post Office and are increasingly using online methods to recruit money mules. Electronic Money Institutions (EMI) and Payment Institutions (PI) also feature prominently in law enforcement investigations and supervisory action.³¹

Cash Based Money Laundering (CBML)

Established by the NECC, Project PLUTUS targets cash-based money laundering to seize more cash, close vulnerabilities and arrest more money launders. PLUTUS has 25 participant agencies and forces, and it is an established brand delivering operational value across the system with aligned cash seizures in excess of £25 million and over 160 arrests., PLUTUS has enhanced our understanding of how the evolution of CBML and the interplay between cash and other known vulnerabilities such as deposits at Post Offices, Money Services Businesses and Electronic Money Institutions.

2.34. Public Private collaboration has been a key success factor for the NECC to date and typologies of money laundering are often brought to NECC's attention through its public-private partnership capabilities. Since 2015, initiatives under the NECC Public-Private Partnership (PPP) Joint Money Laundering Intelligence Taskforce (JMLIT+) model have developed 1000 requests from Law Enforcement, which have directly contributed to over 300 arrests and the identification, seizure or restraint of over £146 million.³² Private sector members have identified over 7,800 suspect accounts linked to money laundering activity and submitted over 6,600 SARs, while also continuing to develop and enhance their systems and controls for mitigating the threat of financial crime.³³

Case study:

Project ADMIRALTY is a NECC led tactical response to the threat of CBML in the UK through the Post Office. Public Private information sharing, through a time-limited cell accountable to the Money Laundering Public Private Threat Group, has generated a pipeline of tactical opportunities for law enforcement. Enforcement operations have been debriefed through the project, giving participating members an enhanced situational awareness to inform control measures. Partnership working has developed a richer understanding of the criminal exploitation of this vulnerability and has informed the FCA's assessment and recommendations for changes to design-out the vulnerabilities in the system. As partners implement changes, a dynamic feedback system of typology alerts is being developed to ensure all stakeholders are adapting their response to the shifting criminal threat.

32 Sourced from JMLIT performance reporting conducted by the NECC, National Crime Agency.

33 Sourced from JMLIT performance reporting conducted by the NECC, National Crime Agency

- 2.35.** Through the NECC's new Money Laundering Strategy the NECC will lead the system response to money laundering across HEML including kleptocracy, CBML and tech enablers of money laundering. A key theme across ML vulnerabilities will be developing an approach to target those professional enablers that help facilitate economic crime, including those linked to emerging methodologies exploiting Electronic Money Institutions and the use of crypto assets. The NECC and its partners will work to understand the threat of professional enablers through an improved intelligence picture and increase investigative capacity, working in collaboration with the public and private sectors to enhance information sharing between relevant organisations.

A professional enabler is an individual or organisation that is providing professional services that enable criminality. Their behaviour is deliberate, reckless, improper, dishonest and/or negligent through a failure to meet their professional and regulatory obligations.

- 2.36.** In addition, the government will publish a money mules action plan in 2023. Money mule networks are integral to moving proceeds of fraud and other crime types and put the public, including children, at risk of recruitment by criminal groups. This action plan will bring together activity to disrupt mule activity and protect the public. Further details will be set out in the upcoming Fraud Strategy.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|-------|--|--|---------------|
| 17. | The NECC to deliver its new Money Laundering strategy to better understand the threat direct the response to areas of greatest impact and drive system enhancement. | NECC. | HO, HMT, HMRC, FCA, CoLP, NPCC, CPS, OPBAS, Professional Body Supervisors, AML regulated sector. | Publish a money mules action plan (HO). | Q3 2023. |
| | | | | Establish and implement a cross-system strategy for tackling Professional Enablers with an emphasis on collaborative working and information sharing (NECC, HO, OPBAS). | Q3 2023. |
| | | | | Develop a 4P approach to target criminal use of FinTech, and linked enablers such as Electronic Money Institutions (FCA, NECC). | Q4 2023. |
| | | | | Establish a new Trade Based Money Laundering Strategy, host a multi-lateral Summit on tackling Trade Based Money Laundering (TBML) and take forward cross-system opportunities to mitigate the threat. (HMRC). | Q4 2023. |

ML

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---|--------|-------|----------------------------|---|---------------|
| | | | | Agree common standards on ML indicators and standards across criminal justice system (disruptions, investigations, prosecutions, convictions), and areas for improved tracking to ensure activity prioritised for greatest impact, and effectiveness measured (All). | Q1 2024. |
| | | | | Through supervision, bilaterals, and round-table discussions, FCA and NECC to work with banks so they can implement and refine a suite of controls to prevent money laundering through cash deposits at the Post Office and help ensure legitimate customers have access to cash (NECC, FCA). | Q1 2024. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---|--------|-------|----------------------------|--|---------------|
| | | | | Renew assessment of the money laundering through the markets threat and dissemination of findings to increase firms' awareness and enhance relevant reporting. (FCA, NECC, FIU). | Q4 2024. |
| | | | | Further activity to reduce criminal exploitation of Money Service Businesses (MSB) in cash based and high-end money laundering, using the MSB High Priority List (HMRC, NECC). | Ongoing. |

Combat kleptocracy and drive down sanctions evasion

Introduction

3.1. Since the last Economic Crime Plan the geopolitical context has evolved, and the Government's Integrated Review set out a range of new or growing threats. Most recently Russia's unprovoked invasion of Ukraine has demanded unprecedented action, from both the government and the private sector. In response, the UK and partners have significantly increased the use of complex financial and other economic sanctions. The invasion has also highlighted the already-growing threat posed by kleptocracies (as defined below). If we are to secure our economy and protect the reputation of the UK's financial and professional services sectors, we must do more to address the underlying problem of HEML linked to corrupt elites³⁴ through the UK and other global financial centres – not just from Russia, but from all kleptocratic regimes.

A kleptocracy is a highly corrupted political regime where power has been consolidated for the benefit of a small elite. It is characterised by widespread theft of national wealth and resources to subvert domestic political systems. Kleptocrats exploit open financial centres and professional services in developed economies to help corrupt elites enjoy their ill-gotten gains overseas. This in turn enables grand corruption, undemocratic entrenchment of power, and security threats to the UK and our allies. The UK is not unique in facing this threat, but as a global financial centre and popular destination for investment we have an important role in tackling it.

³⁴ Or corrupt overseas politically exposed persons.

- 3.2.** The UK has long used sanctions regimes as part of an integrated approach to combat state threats, terrorism, cyber-attacks, and other issues. Most recently, acting in concert with international partners, the UK has introduced an unprecedented number of sanctions to encourage the Russian government to cease destabilising activities and withdraw their military deployment in Ukraine, sanctioning over 1,500 individuals and entities.³⁵
- 3.3.** All our sanctions require complex implementation, enforcement and operational compliance, involving both the public and private sectors working closely together to enhance the effectiveness of the UK's sanctions regime. The government remains committed to working effectively in partnership with private sector stakeholders to tackle risks of sanctions evasion and emerging risks that may warrant a sanctions response. The Office of Financial Sanctions Implementation's (OFSI) recent expansion to a total of over 100 full-time employees will continue helping to drive the enhancement of legislative and enforcement abilities and supporting the move to a proactive enforcement model.
- 3.4.** Likewise, to provide assurance that what firms have implemented in response to these unprecedented sanctions measures is appropriate, the FCA has strengthened its supervisory approach in assessing financial services firms' sanction controls. OPBAS has also been working with professional body supervisors, so they can do the same with their members, given the exposure to sanctions risk of legal and accountancy professionals.
- 3.5.** In parallel, recent events have highlighted the risks that kleptocracy poses to the UK's national security. Illicit finance linked to corrupt elites from Russia, but also from other kleptocratic jurisdictions and hostile states, undermines the UK's reputation and enables broader threats as set out above. As well as extensive new sanctions on major oligarchs, we have accelerated existing government and private sector work against corrupt elites and their enablers.

35 [UK sanctions following Russia's invasion of Ukraine \(gov.uk\)](#).

- 3.6.** The creation of the NCA's Combatting Kleptocracy Cell (CKC) demonstrates the government's increased ambition. We are working with international partners to ensure there is nowhere for dirty money to hide, including through the Russian Elite Proxies and Oligarchs (REPO) Task Force, which brings together international partners to ensure the effective enforcement of financial sanctions implemented against Kremlin-linked elites and entities. Through this engagement we will seek to expand the membership of the International Anti-Corruption Coordination Centre (IACCC) - the leading global co-ordination mechanism for tracing proceeds of corruption hosted in the NCA so it can continue its work to improve fast-time intelligence sharing, assist countries that have suffered grand corruption and help bring corrupt elites to justice.
- 3.7.** Actions across the Plan to improve the whole system response to economic crime will address the broader systemic vulnerabilities that can enable evasion of sanctions and allow corrupt actors from other jurisdictions, wherever that may be, to hide money in the UK. In particular, reducing HEML vulnerabilities and limiting the abuse of UK corporate structures will help deliver a holistic UK response to these threats. This section outlines further specific actions to tackle sanctions evasion and HEML linked to kleptocracy.

Continuously improve financial sanctions, design, implementation and enforcement

- 3.8.** To enhance sanctions compliance, increased collaboration is essential. Government commits to continue to provide all relevant sectors with the proper guidance, support, and collaboration around these various sanctions regimes. With an increase in engagement between the private and public sector, the government will share specific tailored guidance about sanctions regimes as well as gather views and address concerns.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|-------|--|--|---------------|
| 18. | Deliver a published assessment of sectoral threat and identify vulnerabilities relating to financial sanctions. | OFSI. | HMT, FCA, OPBAS, NECC, AML supervisors, PBS supervisors. | Begin period of engagement and evidence collection (OFSI). | Q3 2023. |
| | | | | Publish final report with findings of threat, vulnerabilities, and suggested recommendations to help aid industry in their implementation and compliance efforts to support effective prioritisation (OFSI). | Q4 2024. |
| 19. | Maximise the impact of new UK resources, powers and capabilities to drive improvements in the effectiveness of the UK's sanctions regime. | OFSI. | HMT, FCA, OPBAS, AML supervisors, PBS supervisors. | Improve engagement and information sharing of suspected breach cases between statutory supervisors including the FCA, PBS's and OFSI to enhance UK response to breaches (FCA, OFSI). | Q4 2023. |
| | | | | Enhance OFSI's existing methods of engagement to enhance the scope of sectors and continuously improve the methods and approach OFSI uses to engage with public, private sector and supervisors (OFSI). | Q4 2023. |

S**S**

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---|--------|-------|----------------------------|---|---------------|
| | | | | Review and expand where necessary on published OFSI enforcement guidance, OFSI licencing framework and future legislative needs to continuously improve financial sanctions (OFSI). | Q4 2023. |
| | | | | Drive improvements in financial firms'/ regulated population's sanctions systems and controls through further development of FCA's intelligence and data led approach, to make the UK inhospitable to sanctions evasion (FCA, all supervisors). | Q3 2024. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|-------|--|---|---------------|
| 20. | Enhance cooperation with the US, EU and other jurisdictions to increase the effectiveness of financial sanctions by enhancing their impact and facilitating their implementation. | OFSI. | HMT, FCDO, FCA, NCA, OPBAS, AML supervisors. | Begin discussion with overseas partners to enhance collaboration with allies to seek buy in and begin organisation of formal information exchange with partners to determine the most effective way to share information, exchange views and develop key partnerships (OFSI). | Q2 2023. |
| | S | | | Commence information exchanges to find where the implementation and enforcement of sanctions can be further improved, effectiveness increased and build deeper relationships with international partners (OFSI). | Q2 2024. |

Strengthen operational and international response to kleptocracy

- 3.9.** In addition to broader measures to tackle HEML within this Plan, the government will also expand the capacity of the CKC to target corrupt elites primarily through their assets hidden in the UK, including supporting cross-government work on criminal breaches of sanctions and working in partnership with agencies around the world to target individuals and deny assets. Law enforcement agencies are currently able to seize UK-based foreign assets with links to criminality or unlawful conduct, by making use of powers in the Proceeds of Crime Act 2002. The government, alongside other countries, is actively considering all possible options for seizing assets in the UK that could be used to remedy the harms caused in Ukraine. This is a novel and exploratory area with complex legal and operational challenges. While we are pursuing this at pace, ensuring any policy implemented is safe, robust, and compliant with the rule of law is of paramount importance.
- 3.10.** We will continue to identify and disrupt the ‘enablers’, such as the small fraction of bad actors in the Trust and Company and Service Providers, real estate, legal and accountancy and other sectors who are knowingly complicit in assisting these elites to move their finances, undertake high end money laundering, and evade sanctions. This will include introducing measures to combat Strategic Lawsuits Against Public Participation (SLAPPs), which will be included fully in the next Anti-Corruption Strategy.
- 3.11.** Tackling kleptocracy is in the interests of all democracies. The government will strengthen and build new partnerships with our international partners and focus on international coalitions in multi-lateral fora to challenge the impunity of corrupt elites wherever they may be. The government will also work through the IACCC to coordinate international law enforcement cooperation in order to freeze, seize and return stolen assets to affected states.
- 3.12.** Kleptocracy poses a complex threat which means our response will go beyond the economic crime focus of this Plan. In the upcoming new Anti-Corruption Strategy, the government will seek to increase resilience in our domestic institutions to corrupt elites and build global resilience to strategic corruption.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|------------|---|--|---------------|
| 21. | Support the ongoing work of the NCA's Combatting Kleptocracy Cell to ensure the UK has the capabilities required to investigate and disrupt the highest harm individuals impacting the UK. | NCA, NECC. | HO, HMT, FCA, OPBAS, FCDO, OFSI, AML supervisors. | Continue to develop the National Data Exploitation Centre to build a core analytical capability for dataset collection, analysis, and dissemination (NCA). | Ongoing. |
| | | | | The Russia, Elites, Proxies and Oligarchs taskforce to report on progress working multilaterally to block or freeze assets and restrict sanctioned Russian's access to the global financial system (HO). | Ongoing. |
| | | | | Expand the capacity of the CKC to combat corrupt elites and kleptocrats (NCA). | Q2 2024. |

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| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-----------|----------------------------|---|---------------|
| 22. | Strengthen international coalitions to tackle long-term enablers of kleptocracy and enhance operational co-operation, including through HMG's overseas network of illicit finance experts. | FCDO, HO. | NCA, NECC, HMT, CPS. | Review progress of the UK-UAE bilateral partnership to tackle illicit finance (HO, FCDO). | Q4 2024. |
| | | | | Expand membership of the International Anti-Corruption Coordination Centre (IACCC) to include an additional five financial centres (FCDO). | Q4 2025. |
| | | | | The NCA's International Corruption Unit to further reduce the culture of impunity for grand corruption in developing countries by pursuing subjects with a UK nexus who corrupt politically exposed people in developing countries, and/or taking action to recover and return assets stolen from developing countries (NCA). | Ongoing. |

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| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-------|----------------------------|---|---------------|
| 23. | Ensure we are proactive and clear in our public facing communications that the UK is not a home for dirty money from corrupt elites, and deter their enablers. | HO. | NCA, NECC, FCDO. | Further case studies of comms activity demonstrating that the UK is not a home for dirty money and deterring enablers (HO). | Ongoing. |
| | S | | | Public ministerial communication highlighting cross government progress on combatting kleptocracy since the most recent invasion of Ukraine (HO). | Ongoing. |

Cut fraud

4.1. The volume of fraud has increased in recent years and even though it has fallen following the highs seen during the Covid pandemic, it still accounted for an estimated 41% of all crime experienced by adults in England and Wales in the year ending September 2022. This reflects an estimated 1 in 15 adults who were victims of fraud in the same year.³⁶ Combatting fraud is therefore critical in the overall fight against crime. Victims can suffer both serious financial and emotional harm as a result of fraud, and we know that the money fraudsters make can go on to fund other serious and organised crimes. We also know from the 2020 Economic Crime Survey³⁷ that around one in five businesses in the surveyed sectors had been a victim of fraud in the three years prior to the survey (18%).

Fraud against the individual and business

4.2. The forthcoming Fraud Strategy will set out how the government will cut fraud. We have already committed £100 million of new money over the next three years to tackle fraud. Through the new Strategy we will:

- **Pursue fraudsters**, disrupting their activities and bringing them to justice more often and quicker
- **Block frauds** at source by dramatically reducing the number of fraud and scam communications that get through to the public
- **Empower people** to recognise, avoid and report frauds and equip them to deal easily and appropriately with frauds that do get through.

36 [Crime in England and Wales: year ending September 2022 – Office for National Statistics – \(ons.gov.uk\)](#).

37 Publication of the 2020 Economic Crime Survey pending.

Modernise the response and reduce the impact of fraud against the Public Sector

4.3. Public sector fraud and error loss is estimated to be at least £33 billion a year.³⁸ It affects all parts of the public sector including procurement, grants, loans, taxation and welfare. As a consequence, it increases the cost of public services and undermines trust in government. Therefore, every pound of taxpayers' money saved in fighting fraud is a pound invested in our public services or back in the pocket of the taxpayers, and a pound less in the pocket of criminals.

4.4. Government has been focused on finding more fraud for some time. Work done since 2014³⁹ shows an overall increase in levels of fraud prevented, detected and recovered against the public sector between 2019/20 to 2020/21 where:⁴⁰

- Detected fraud and error increased from £310m to £525m,
- Prevented fraud and error increased from £388m to £653m, and
- Recovered fraud and error increased from £92m to £193m

This is in line with the government's explicit policy to encourage public bodies to do more to find and report fraud and error and the announcement of the new Public Sector Fraud Authority (PSFA).

4.5. The PFSA was announced in the March 2022 Spring Statement and launched on 3 August 2022 in response to the increasing risk and exposure to fraud faced by the public sector. It sits at the centre of government, reporting to HM Treasury and the Cabinet Office, with a remit to work with government departments and public bodies to understand and reduce the impact of fraud against the public sector. This includes supporting the Government Digital Service to deliver GOV.UK One Login, which will provide a single, secure way for users of government services to log in and prove their identity online, thereby helping to combat fraud.

38 [Cross-Government Fraud Landscape Annual Report 2022 \(gov.uk\)](#).

39 The government started a push to find more fraud in 2013/14 see '[Cross-government fraud landscape annual report 2017](#)'.

40 [Cross-Government Fraud Landscape Annual Report 2022 \(gov.uk\)](#).

4.6. The PSFA's mission is to:

- Modernise the fraud and error response by widening access, and use of, leading practices, tools and technology - better protecting taxpayers' money.
- Build expert-led services that collaborate with experts in departments and public bodies to better fight fraud and error through risk, prevention, data and enforcement techniques.
- Develop capability in the public sector to find, prevent and respond to fraud and error - both organisationally and individually.
- Put performance at the heart of the public sector fraud conversation - focusing on investments and outcomes.
- Be seen as a beacon of fraud and error expertise and a destination for those wanting to make a difference in fighting public sector fraud.

4.7. In support of its mission, the PSFA commits to working with economic crime partners throughout the lifetime of this Plan to increase understanding of the risks faced, build capability, and collaborate internationally, all of which will help combat economic crime more generally. This work will align with the work of the NECC to identify and proactively target high-harm fraudsters, to ensure the problem is tackled using intelligence and disruptive opportunities across the whole system.

4.8. Supporting efforts to combat fraud and economic crime, is the Department for Work and Pensions who published 'Fighting Fraud in the Welfare System'⁴¹ last year which set out their plans to tackle key risks by focusing on three fronts:

- Investing in DWP's frontline counter-fraud professionals and data analytics.
- Creating new legal powers to investigate potential fraud and punish fraudsters, subject to parliamentary time.
- Bringing together the full force of the public and private sectors to keep one step ahead.

4.9. While tax fraud is out of scope of this Plan given the maturity of HMRC's existing response, tackling it remains an economic crime priority for Government as it is still one of the highest proceeds of crime generating public sector fraud risks. Robustly bearing down on evasion ensures individuals and businesses continue to believe there is fairness in the tax system. Many of the Plan's actions will have positive consequences in tackling tax crimes.

41 [Fighting Fraud in the Welfare System \(gov.uk\)](#).

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|-------|----------------------------|---|---------------------|
| 24. | Oversee the performance of ministerial departments and public bodies in understanding and taking action on fraud against the public sector. | PSFA. | | Agree fraud management performance metrics and action plans with ministerial departments and key public bodies (PSFA). | Annually from 2023. |
| | F | | | Monitor and assure Government Department compliance against the Counter Fraud Functional Standard (PSFA). | Annually from 2023. |
| | | | | Carry out targeted reviews of areas of fraud threat and targeted quality reviews of fraud activities (PSFA). | Ongoing. |
| | | | | Collect quarterly performance data on levels of fraud and error (as defined by the PSFA) and progress against Departmental Action Plans and Metrics (PSFA). | Quarterly. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-------|----------------------------|---|---------------|
| 25. | Work with ministerial departments and public bodies to improve understanding of the risks and threats they face and mitigate these through prevention and deterrence activity. | PSFA. | HO, NECC, NCA, CPS. | Oversee and assure the use of Initial Fraud Impact Assessments during the design phase and ahead of public announcement in significant areas of new spend (PSFA). | Ongoing. |
| | | | | Create and maintain a Global Fraud Risk Assessment that looks at fraud risk across government (PSFA). | Ongoing. |
| | | | | Develop and maintain a methodology for sharing cross-cutting and global fraud risks across the public sector to support public bodies in understanding and addressing their fraud risks (PSFA). | Q3 2023. |
| | | | | Develop a High Fraud Risk Portfolio which lays out the highest risk areas of spending, and the capability that is in place to deal with them (PSFA). | Q4 2024. |

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| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-------|----------------------------|---|-----------------------|
| 26. | Bring expertise together to define practices, develop standards and develop capability of public servants through the Counter Fraud Profession. | PSFA. | | Develop standards for practitioners on Prevention & Deterrence (PSFA). | Q2 2023. |
| | | | | Launch of a new Counter Fraud Leadership Programme (PSFA). | Q3 2023. |
| | | | | Develop a licence to operate a model to continually assess members (PSFA). | Q4 2024. |
| | | | | Develop the profession beyond investigation to counter fraud by providing key technical updates, training and apprenticeships (PSFA). | Q1 2026. |
| | | | | Maintain the standards for core and sub-disciplines and provide technical updates for members (PSFA). | Annually (from 2023). |
| 27. | Work with partners in other countries to share and develop leading practice, standards and guidance in fighting fraud against the public sector through the International Public Sector Fraud Forum (IPSFF). | PSFA. | IPSFF. | Lead the International Public Sector Fraud Forum (IPSFF) and develop and deliver an annual work plan for IPSFF (PSFA). | Annually. |
| | | | | Share and integrate international leading practice, standards and guidance across the UK public sector (PSFA). | Ongoing. |

F

The impact of wider economic crime reforms and infrastructure on tackling fraud

- 4.10.** The activity to cut fraud is not confined to the actions that will be set out in the Fraud Strategy or by the Public Sector Fraud Authority. Much of the wider activity set out in the rest of this Plan will also support efforts to tackle fraud.
- 4.11.** For example, the Economic Crime and Corporate Transparency Bill will enhance the protection of personal information and addresses provided to Companies House to better protect individuals from fraudulent use of their identities. The Bill will strengthen powers to combat fraud, including by:
- Giving the Registrar of Companies greater powers to direct companies to change their names, where it looks like names have been set up to deliberately mislead.
 - Allowing for the allocation of unique identifiers for individuals, to link all their directors' appointments in one place.
 - Facilitating better information sharing between certain regulated businesses about suspected money laundering, fraud and other economic crimes, allowing them to take a more proactive approach to preventing economic crime.
 - Providing additional powers to law enforcement, so they can more quickly and easily seize, freeze and recover cryptoassets which are the proceeds of crime or associated with illicit activity.
- 4.12.** Similarly, on cryptoassets, a responsive and adaptive regulatory environment, combined with an improved law enforcement response and better technology and security, will also help protect the public from fraud.
- 4.13.** By improving information flows, removing blockers, and addressing standardisation and interoperability issues, we will be able to better use data and information across the system to combat all economic crime.
- 4.14.** Our work to develop an economic crime workforce strategy will look at skills, retention and partnerships across the economic crime workforce.
- 4.15.** As mentioned above, the GOV.UK One Login – a new single sign-in and digital identity solution for the whole of government – is also making advanced identity proofing technologies readily available to public sector services. It is replacing duplicative and siloed systems, equipping the government with critical digital infrastructure to more effectively combat identity misuse and fraud.

Reduce the threat international illicit finance poses to the UK and UK interests

- 5.1.** International illicit finance enables and facilitates state threats, terrorism, sanctions evasion, loss of tax revenue, corruption, diversion of money from public services, and the destabilisation of developing economies, especially in countries recovering from conflict. As an attractive place to live, invest and do business, the UK is being used as a source, transit, and destination for illicit finance generated from crimes in the UK and overseas. UK criminals often launder money to overseas jurisdictions where they can enjoy their profits.
- 5.2.** Illicit finance is a transnational problem which exploits the highly interconnected global financial system. As a leading global financial centre, the UK has a critical role to play in addressing the problem internationally, which in turn helps us to protect the integrity and stability of the UK financial system. Tackling threats overseas reduces the threat we face at home. Tackling these threats at source also reduces the impact on the UK's wider international objectives.

Case study:

The controller for an International Controller Network which smuggled millions of pounds of criminal cash out of the UK was jailed in July 2022 for nine years and seven months after a NCA investigation. The controller arranged travel for a cash courier network, who between them, smuggled £104 million from the UK to UAE between November 2019 and October 2020. The group collected from Organised Crime Groups and took it to counting houses, where it was vacuum packed in suitcases containing around £500,000 each and sprayed with coffee or air fresheners in an effort to avoid detection by Border Force dogs. The couriers flew business class for the extra luggage allowance and declared the cash on arrival in Dubai, using a front company in customs declarations. Supported by NCA's International Liaison Officers and the NECC, the investigation team worked closely with UAE law enforcement, gathering enough evidence relating to the controller that he pleaded guilty.

- 5.3.** Since the first Economic Crime Plan, the strategic context for tackling international illicit finance has evolved. The 2021 Integrated Review explicitly recognised illicit finance as a national security threat, financing malign actors and tarnishing our global reputation with corrupt assets coming into the UK.

Case study:

To help countries address vulnerabilities and sustain illicit finance reforms, the UK is providing strategic and tactical bilateral support. Taking a holistic approach, through the collaboration of UK based experts and illicit finance leads overseas, the UK has developed a range of delivery programmes to support compliance with the Financial Action Task Force (FATF) standards.

In one country in East Africa, this included helping the government respond to FATF recommendations through technical assistance on strategic approaches to terrorist finance investigations, targeted financial sanctions implementation and anti-money laundering supervision, and helping it embed long term institutional changes such as improved cooperation between public and private sectors. The country is now recognised as a leader in countering illicit finance in its region, meeting international standards and sharing their learning with neighbouring countries.

- 5.4.** Building on commitments set out in the first Plan, the government will continue to lead efforts to strengthen international standards and work with partners to ensure these are implemented effectively. To achieve this the UK will continue to push efforts within key fora, such as FATF, the G7, and G20: proactively making the case for proportionate and targeted reform of the international system to counter illicit finance. Complementing our strategic leadership in these fora, the UK will continue to provide bilateral support using illicit finance experts based in the UK and overseas.
- 5.5.** We will use our diplomatic and technical influence to further strengthen partnerships with other financial centres, particularly the US, UAE, and our Crown Dependencies and Overseas Territories (CDs and OTs). This is supported by work at the tactical level to continuously improve our threat understanding, including through public-private cells. We remain committed to tackling illicit finance affecting developing countries including through the work of the NCA's International Corruption Unit and denying more criminals their illicit proceeds. Increased UKFIU resource will include staff dedicated to international liaison, resulting in a more detailed understanding of money laundering and terrorist financing threats.
- 5.6.** Using a holistic, coordinated UK government response, leveraging FCDO international leadership as well as law enforcement and CPS capabilities to international illicit finance we will respond to the threat, complementing our domestic efforts with international action.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-------|----------------------------|--|---------------|
| 28. | Improve our understanding of the threat and expand NECC-led strategic response to specific jurisdictions of risk - including working upstream where appropriate. | NECC. | HO, FCDO. | Establish country specific projects to better respond to sectors and activities in key jurisdictions that pose the largest illicit finance risks to the UK (NECC). | Ongoing. |
| | ML S F | | | Production of jurisdiction specific intelligence assessments (NAC). | Ongoing. |
| | | | | Greater utilisation of public-private framework to issue industry alerts on international illicit finance risks (NECC). | Q3 2023. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|----------------|----------------------------|--|---------------|
| 29. | Provide technical assistance to eligible priority countries to improve implementation of global anti-money laundering, counter-terrorist financing, and counter proliferation financing standards, supported where appropriate by the private sector and law enforcement. | HMT. | HO, FCDO. | Deliver pipeline of 4 projects per year supporting Overseas Development Aid-eligible priority countries in meeting the FATF standards and creating an effective and holistic defence to illicit finance (HMT). | 2023-2025. |
| | | DBT. | HMT, FCDO. | Deploy UK expertise to priority countries to provide technical assistance to improve transparency over ownership and control of corporate entities (DBT). | 2023-2026. |
| | | | | ML S | |
| 30. | Strengthen international asset recovery standards to improve cross-border asset recovery outcomes. | HMT. | NCA, CPS, HO, FCDO. | FATF projects on asset recovery lead to adoption of strengthened standards applied in next round of FATF mutual evaluations which peer review countries (HMT). | Q2 2025. |
| | | | | ML S | |
| 31. | Strengthen our strategic dialogue with the CDs and OTs on jointly countering sanctions evasion, money laundering and terrorist financing. | HO, FCDO, HMT. | HMRC, MOJ. | Increased ministerial and technical cooperation on illicit finance issues (HO,FCDO, HMT). | Ongoing. |
| | | | | ML S | |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|-----------|----------------------------|---|---------------|
| 32. | Champion, and where appropriate support increased transparency of registers of beneficial ownership in CDs and OTs, as part of a broader campaign on beneficial ownership transparency internationally. | FCDO, HO. | DBT, CH. | CDs and OTs have publicly accessible beneficial ownership registers that are operational and high quality, recognising human rights and data protection considerations (CDs and OTs). | Q4 2023. |
| | ML S F | | | Case studies of UK influencing G7, G20 and other governments to establish national registers of company beneficial ownership or take action to strengthen their effectiveness (HO, FCDO). | Q2 2025. |

Cross cutting system reforms and capabilities

Introduction

6.1. While the actions set out above are focused on tackling specific threats, there are a number of fundamental cross-cutting reforms and capabilities that will underpin and support this activity. The following commitments will help deliver improvements across the whole economic crime system, and therefore play a central role in this ambitious Plan to combat fraud, money laundering, kleptocracy and sanctions evasion.

System prioritisation

6.2. Public-private collaboration on economic crime is critical, with joint efforts having a demonstrable impact on the threat. Existing collaboration, through structures such as JMLIT+, has been positive but the government recognise more can be done, particularly to co-ordinate and prioritise our collective response.

6.3. There will continue to be a number of critical and mandatory activities for both industry and government. However, directing public-private resource towards priority areas will enable us to maximise our collective impact against the threat.

6.4. The government will work with the private sector to define a clear single version of the truth for our understanding of the threat and embed a framework which enables the economic crime system to set priorities for collective public-private threat response. We will explore how to support the regulated sectors to focus their activities, in line with international standards for anti-money-laundering and existing resources such as the National Risk Assessment of Money Laundering and Terrorist Financing, against these priority areas to tangibly reduce the threat posed by economic crime.

6.5. This will strengthen the system leadership role of the NECC, enabling it to inform priorities in collaboration with regulators and the wider public sector. It will allow us to collectively ensure that we maximise the impact of resources in the private sector and public sector and direct these resources appropriately to reduce the threat.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|-----------------|---|--|---------------|
| 33. | Strengthen the role of the NECC as the system leader responsible in collaboration with regulators and wider public sector for informing priorities for the economic crime system and defining a single view of economic crime threats, and in tandem identify and agree activity which can be de-prioritised to enable an increased focus on high-utility activity. | NECC, FCA, UKF. | HO, HMT, OPBAS, NPCC/CoLP, AML supervisors. | Review what activities businesses in the regulated sector could dial-up and dial-down (UKF, regulated sector representatives). | Q4 2023. |
| | | | | Identify mechanisms for providing a dynamic and holistic single version of the truth on the economic crime threat (NECC, HMT, HO, FCA, CoLP). | Q4 2023. |
| | | | | Establish how priorities are set across the economic crime system, and appropriate governance (NECC, all). | Q4 2023. |
| | | | | Examine how prioritisation supports better allocation of resource against key areas to reduce the threat, and mechanisms to ensure this resource is not lost. (UKF, regulated sector representatives). | Q1 2024. |

ML S F

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---|--------|-------|----------------------------|---|---------------|
| | | | | Identify any obstacles to effective response to these priorities, including how resource can be allocated to support them, within HMG and industry (All). | Q1 2024. |
| | | | | Find indicators to measure the impact of dialling up resource to support priority areas and dialling down resource in other areas (All). | Q1 2024. |
| | | | | Put in place prioritisation framework (All). | Q3 2024. |

Information sharing, data, and technology

- 6.6.** There exists a vast amount of information across the economic crime system, however, at present some of it sits siloed in different organisations, in different formats with unclear legal and technological gateways for sharing it. Even where information flows remain permissive, the lack of standardisation and interoperability of data across the economic crime landscape is impacting our ability to see, spot, and stop illicit activity. The Economic Crime and Corporate Transparency Bill and reforms to the UK's General Data Protection Regulation (GDPR) remove the legislative barriers to economic crime data sharing. Now is the time to capitalise on those opportunities.
- 6.7.** Under a new public-private economic crime data strategy, we will enhance the exploitation of available data across the ecosystem to better prevent, detect, and pursue economic crime. The strategy will encompass the governance, prioritisation, and technical changes necessary to manage data better across the system.
- 6.8.** In addition, working across public, private, and international boundaries we will:
- Improve the flow of information between regulated sector entities.
 - Improve the flows on information and intelligence between public and private organisations, including supervisors.
 - Improve the flows of information and intelligence between public organisations.
 - Identify and address obstacles to international information sharing.
 - Continue to engage with industry and civil society about the potential for new technology to enhance our efforts to tackle economic crime.

Key:

ML Reduce money laundering and recover more criminal assets.

S Combat kleptocracy and drive down sanctions evasion.

F Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date | |
|-----|--|----------------|---|------------------------|---|----------|
| 34. | Production and phased implementation of a new Public Private Economic Crime Data Strategy that enhances the exploitation of available data across the ecosystem to better prevent, detect and pursue economic crime. | HO-UK Finance. | NECC, PSFA, HMT, OPBAS, CoLP, DBT (Companies House), HMRC, FCA AML Regulated Sector, AML Supervisors. | Strategy Design | Q4 2023. | |
| | | | | | Creation of a delivery road map to set out how and when proposed changes would be introduced (HO, UKF). | Q1 2024. |
| | | | | Implementation | Q4 2024. | |
| | | | | | Implement findings from holistic review, and delivery roadmap to develop public-private economic crime data strategy (HO, all). | |
| | | | | | Develop public-private data sharing initiatives, building on the work of the NECC-led Fusion Pilot (NECC). | Q1 2024. |
| | | | | | Deploy a single network analytics platform for cross-government use (PSFA). | Q2 2024. |
| | | | | | Scaling of NDEC capabilities on Economic Crime Data (NECC). | Q2 2024. |

ML **S** **F**

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|---|--------------|---|--|---------------|
| 35. | Review and improve data sharing to support the response to public sector fraud. F | CO/ PSFA. | NECC, PSFA, HMT, OPBAS, CoLP, DBT (Companies House), HMRC, FCA AML Regulated Sector, AML Supervisors. | Pilot an enhanced data feed from a range of sources for use by the PSFA to prevent fraud in government (PSFA, NCA and supporting organisations). | Q1 2024. |
| | | | | PSFA and NCA to collaborate to scope an enhanced data feed for use by the PSFA to prevent fraud in government (PSFA and NCA). | Q1 2024. |
| | | | | Pilot PSFA Economic Crime Data Partnerships with the banking sector (tier 1/challenger banks) (PSFA). | Q1 2025. |
| 36. | Review and improve how information flows and is exploited across the economic crime system, to inform better risk-based decisions. ML S F | HO. | NECC, HMT, UKFIU, NECC, OPBAS, DBT (Companies House), HMRC FCA, AML supervisors. | Private - private sharing: Review next steps and potential solutions on private-to-private sharing, including supervisory incentives (HO). | Q3 2023. |
| | | | | Public - private sharing: Operationalisation of MLR 52 gateway (to improve quality of intelligence sharing between law enforcement, CH, BEIS and supervisors (LEAs, NCA, all supervisors)). | Q3 2023. |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---|--------|-------|----------------------------|---|---------------|
| | | | | Identify and address barriers to greater information and intelligence sharing between law enforcement, professional body supervisors and private sector (HO/HMT/OPBAS/NECC/PBS). | Q1 2024. |
| | | | | Explore engagement with Environmental, Social, and Governance (ESG) related agencies on how intelligence on the scale and source of monies associated with environmental crimes can be shared to help identify and combat those crimes and associated money laundering (FCA). | Q4 2024. |
| | | | | Public - public sharing: Review and recommendations for better information & intelligence sharing between public bodies (HO). | Q1 2024. |
| | | | | International: Review and recommendations for better international information sharing (HO). | Q3 2024. |

Law enforcement capacity and public private workforce strategy

- 6.9.** Given the sheer scale of economic crime, and the complexity of many investigations, ensuring the government continues to grow our law enforcement capacity and skills is critical if we are to achieve our desired outcomes.
- 6.10.** This Plan commits us to uplifting capacity across threat leadership, intelligence, investigations and legal resources. We are also strengthening resources at both the national and regional tiers, through investing in the NCA and ROCUs, reflecting the geographically dispersed nature of economic crime and delivering greater value for money through the pooling of specialist resources.
- 6.11.** Over the lifetime of the Plan, we will significantly increase law enforcement capacity dedicated to economic crime. We will deliver an uplift of over 475 FTEs across the system dedicated to tackling money laundering and asset recovery. This includes an uplift of over 60 FTEs for the CPS, increasing our capacity to recover criminal assets.
- 6.12.** To deliver a truly effective response, we also need greater collaboration and skill-sharing between the public and private sectors. Through this Plan we will deliver a new holistic workforce strategy fit to respond to future threats, developing a better pipeline of skilled recruits into the public sector, drawing on the capabilities of the private sector and industry partnerships, designing better training pathways, and ensuring we both recruit, and crucially retain a talented workforce. The PSFA will also be bringing together cross-sector expertise to create practice and guidance for countering public sector fraud.
- 6.13.** Led by the City of London Police, a new centre will help deliver a more cohesive and coordinated local, regional and national policing response to fraud, economic and cyber-crime. The centre will provide expertise, resourcing and will unify and improve the leadership of, the National Lead Force for fraud and the National Police Chiefs Council portfolios of economic and cyber-crime, and set a vision for policing to operate within the wider law enforcement system led by the NECC for economic crime, and the National Cyber Crime Unit for cyber-crime.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|------------------------------------|----------------------------|---|----------------------------------|
| 37. | Deliver an uplift of 475 FTEs across threat leadership, intelligence and investigative and prosecution capacity within the NCA, City of London Police, and Regional Organised Crime Units, HMRC and Crown Prosecution Service Proceeds of Crime Division to improve the detection and disruption of money laundering, criminal use of crypto and money mules, and increase asset recovery. | NCA, NECC, CoLP, ROCUs, HMRC, CPS. | HO. | 160 FTE in place by end of FY2023/24 (All). 285 FTE in place by end of FY2024/25 (All). 475 FTE in place by end of FY2025/26 (All). | Q1 2024. Q1 2025. Q1 2026. |
| | ML S F | | | | |

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|--|--|-------------|----------------------------|---|---------------|
| 38. | Develop an economic crime people and skills strategy which will consider the pipeline, skills and capabilities required for law enforcement to combat Economic Crime, and consider partnerships with industry (including exploring secondments). | NECC, CoLP. | HO, PSFA, UK Finance. | Finalised project plan which identifies short and long-term milestones (NECC and CoLP). | Q4 2023. |
| Deliver short term fixes (NECC and CoLP). | | | | Q2 2024. | |
| Deliver long term solutions (NECC and CoLP). | | | | Q4 2025. | |
| | ML | S | F | | |

Criminal justice system

- 6.14.** To deliver a whole system response to economic crime, the government needs to continue to ensure that prosecutors have the right tools, and the courts system has the capacity and capability to tackle economic crime and deliver justice. We recognise that in the broader economic context, finding solutions which make the criminal justice system more efficient through criminal justice reform is timely.
- 6.15.** The government recognises that it is challenging to hold corporate bodies to account for their criminal wrongdoings, particularly economic crimes. In November 2020, in recognition of this, the government commissioned the Law Commission to do a thorough examination of the law on criminal corporate liability and set out options for legislative reform. Following the publication of the review in June 2022, we are working in collaboration with colleagues across government to consider the options presented by the Law Commission to increase the robustness of the UK's economic crime protocols to ensure no individual or entity may flout the law through complex organisational makeup and governance, or otherwise.
- 6.16.** Building on the strongest options presented by the Law Commission to reform corporate criminal liability, the government is committed to introducing legislation on the identification doctrine to strengthen its application to all corporate structures, including large organisations, and deter instances where corporations can evade liability for committing crime, including economic crime. To drive a major cultural shift encouraging companies to do more to root out fraud, the largest crime-type, the government is also committed to introducing a failure to prevent fraud offence in the Economic Crime and Corporate Transparency (ECCT) Bill that holds companies criminally liable for fraud conducted by an employee, where reasonable procedures are not in place to prevent it.

- 6.17.** Effective disclosure is critical to a fair trial for both suspects and victims and supports public confidence in the administration of criminal justice. However, the volume of digital material generated in complex case work continues to grow and is particularly noticeable in economic crime cases. The CPS continue to improve processes and capabilities under the current disclosure regime. The CPS Serious Economic, Organised Crime and International Directorate continue to chair a multi-agency Disclosure Board and have also developed a new Disclosure Standard for complex casework, which continues to promote early engagement between investigators and prosecutors. This is considered key to effective case building and successful prosecution outcomes. It is particularly encouraged in The Director of Public Prosecution's Guidance on Charging 6th Edition⁴² in serious, sensitive, or complex cases.
- 6.18.** Whilst investigators and prosecutors must continue to improve processes and enhance capabilities to fulfil disclosure obligations under the current regime, it is also important that we explore solutions which help make the criminal justice system more efficient. Although a broad review of disclosure was carried out by the Attorney General in 2018, the Government will re-examine what more can be done to make the disclosure process more manageable in the digital age, including exploring options for both legislative and non-legislative reforms. Further details will be set out in the upcoming Fraud Strategy.

⁴² [Charging \(The Director's Guidance\) - sixth edition, December 2020. The Crown Prosecution Service \(cps.gov.uk\).](#)

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-------------|--|---|-------------------------------|
| 39. | Review the Law Commission recommendations into Corporate Criminal Liability and introduce any accepted changes, including legislation on the identification doctrine and a failure to prevent fraud offence. | HO/ MoJ. | HMT, AGO (inc. CPS and SFO), DBT, HMT. | Review the Law Commission Recommendations (HO). | Ongoing. |
| | | | | Introduce the new failure to prevent fraud offence that will be contained in the ECCT Bill (HO, DBT). | Q3 2023. |
| | | | | Legislate to make it easier to prosecute corporates for crimes committed by their senior managers by improving the way decision-makers of the corporate are identified by law (identification doctrine) (HO). | As parliamentary time allows. |
| 40. | Launch City of London Law Court. | HMCTS. | HO, MOJ, CoLP. | Occupation expected in 2026 (HMCTS). | 2026. |

ML S F**ML S F**

Funding

- 6.19.** The government's investment, combined with the Economic Crime (Anti-Money Laundering) Levy, represents an overall package of £400 million to tackle economic crime over three years (FY2022/23–FY2024/25). This funding underpins the activities set out in this second iteration of the Economic Crime Plan, including increasing capacity in law enforcement and the CPS, and investment in data and technology to maximise the prevention and detection of Economic Crime.
- 6.20.** We will explore and assess options to reinvest suspected criminal funds held frozen in suspense accounts across the private sector. In addition, we are exploring potential options to enable more assets to be recovered from criminals through the Asset Recovery Incentivisation Scheme (ARIS). This would enable additional investment throughout the system and would accelerate our ambition to cut fraud, reduce money laundering, and recover more criminal assets.

Key:**ML** Reduce money laundering and recover more criminal assets.**S** Combat kleptocracy and drive down sanctions evasion.**F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|---------------|--|-------|----------------------------|---|-------------------------------|
| 41. | Explore a mechanism to enable suspected illicit funds held in suspense accounts to be used in tackling economic crime, while protecting customers' access to their legitimate funds. | HO. | HMT, UK Finance, FCA. | Explore a viable policy proposal through industry engagement (HO). | Q3 2023. |
| | | | | Consult with stakeholders on draft policy, including requirements for legislation (HO). | Q3 2023. |
| | | | | Publish Government response to the consultation (HO). | Q4 2023. |
| | | | | Legislation in place (if required) (HO). | As parliamentary time allows. |
| | | | | Implement scheme (if agreed) (HO). | Dependent on legislation. |
| ML S F | | | | | |
| 42. | Enable more assets recovered from criminals including through the Asset Recovery Incentivisation Scheme (ARIS) to be reinvested in tackling Economic Crime. | HO. | HMT. | Develop potential options to enable increased reinvestment of ARIS receipts (HO). | Q4 2024. |
| | | | | Explore further ways to enable multi-year investment (subject to levels of ARIS receipts) (HO). | Q4 2024. |
| ML S F | | | | | |

Chapter 2

Measuring progress and governance

Assessing progress and impact

- 7.1.** The government is committed to tracking and measuring the progress and impact of the Plan. Therefore, we are developing an outcomes framework, as part of a wider performance monitoring approach, to enable us to provide a consistent focus on the outcomes set out in the Plan. This will help us track and measure progress and performance across the system, and progress from the delivery of the actions to the ultimate impacts we are having.
- 7.2.** As a first step in achieving this goal, we have set out some of the relevant data that is currently published on fraud, money laundering, kleptocracy and sanctions in the 'Data Annex'⁴³ to Economic Crime Plan 2. The existing data, set out in the Data Annex, has limitations and should be interpreted with care. It also does not yet cover the cross-cutting reforms. The Data Annex highlights some of the interpretational nuances and signposts to sources for more in-depth commentary.
- 7.3.** Much of the existing data referenced in the Annex is not, furthermore, well suited for developing standalone performance indicators outside of an overall framework. Therefore, we will work with experts and stakeholders to explore opportunities to access new data to help refine our performance indicators.⁴⁴ More specifically, we will:
- Assess where specific indicators can be enhanced through improvements to data quality, or new data being collected.
 - Assess where new indicators need to be developed.
 - Develop qualitative indicators to describe performance against some of the actions where appropriate.
 - Develop understanding of risk tolerance against performance indicators.

43 [Economic Crime Plan 2 – Data Annex \(gov.uk\)](#).

44 A piece of information that helps understand how a goal or objective is being achieved.

7.4. We have committed to developing improved performance indicators across a number of actions in the Plan. Some of the areas we are specifically proposing to explore further are:

- Developing indicators to understand the outcomes (i.e. short-medium term results) and impacts (i.e. long-term results) of actions to **limit abuse of corporate structures**, and actions to **combat criminal abuse of cryptoassets**.
- Exploring how to best measure the outcomes (i.e. short-medium term results) and impacts (i.e. long-term results) arising from key activities such as **law enforcement disruptions**, and for example indicating whether disruptions relate to fraud or potentially different types of money laundering.
- Exploring the possibility of **improving data on criminal justice outcomes** to provide a more comprehensive and granular understanding of money laundering cases within the system. For example, to understand the proportion of charges and convictions relating to high-end money laundering, as well as the extent of money laundering cases ‘hidden’ as secondary offences within our data systems.
- Exploring indicators that **best reflect effectiveness of supervisory activity, across the AML-regulated sector**. This will support a commitment from the 2022 review of the AML/CFT regime to develop a performance framework to measure the effectiveness of the Money Laundering Regulations.
- Exploring whether it would be feasible to develop **new indicators on the utilisation of SARs** - including for strategic analysis and feedback to stakeholders, to ensure they are having maximum impact.
- Developing a performance framework for **asset recovery agencies**.
- Exploring the possibility of using **additional proxy measures indicating the potential scale, threat, and risk from money laundering**.

7.5. Finally, we are developing a Theory of Change,⁴⁵ which will inform the selection of indicators that are used in the outcomes framework for each action in the Plan. The Theory of Change will set out the inputs, outputs, outcomes (i.e. short-medium term results), and impacts (i.e. long-term results) of the actions within the Plan. It will enable us to better understand and assess effectiveness of the actions.

45 A Theory of Change is a best practice tool, and explains how the activities of a policy are expected to contribute to particular results in the short term or longer term ([Theory of change | BetterEvaluation](#)). Theory of Change is further detailed in the [HMT Magenta Book \(publishing.service.gov.uk\)](#), central government guidance on evaluation – published 2020.

7.6. Developing these indicators means tackling some long-standing data and evidence gaps in the field of economic crime. The work required will be extensive, challenging, and will take time - both to assess the feasibility of collecting new data and to develop suitable indicators, before beginning any new data collection. We are keen to work with partners to help progress and identify potential new options to tackling these gaps and improving our collective data sources. We will report on progress with data development and the outcomes framework in future.

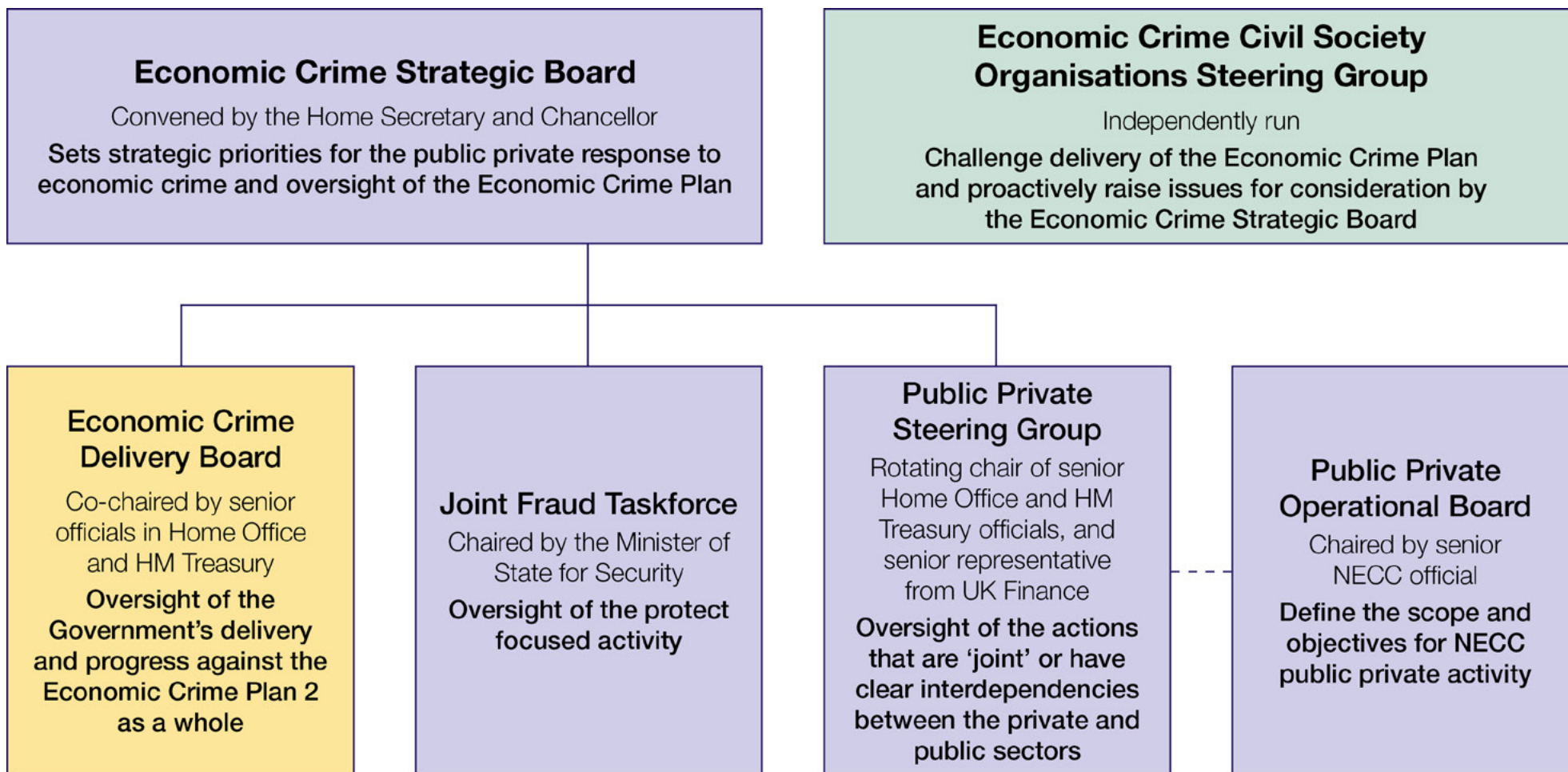
Key:

- ML** Reduce money laundering and recover more criminal assets.
- S** Combat kleptocracy and drive down sanctions evasion.
- F** Cut fraud.

| # | Action | Owner | Supporting Organisation(s) | Milestone(s) | Delivery Date |
|-----|--|-------|--|--|---------------|
| 43. | Develop an outcomes framework for Economic Crime Plan 2. | HO. | HMT, NECC, UK Finance, AML supervisors, FCA, PBS supervisors, DBT, FCDO. | Agree priority indicators to form an initial outcomes framework. Report on delivery towards outcomes framework through established economic crime governance (HO). | Q3 2023. |
| | ML S F | | | Publish formal update on progress in developing new data and indicators (HO). | Q4 2024. |
| | | | | Monitor performance and improve data sources from the publication of ECP2 onwards. Initial indicators will be built upon throughout implementation of the plan (HO). | Ongoing. |

Delivery governance

- 7.7.** The Economic Crime Strategic Board chaired by the Home Secretary and Chancellor will continue to maintain strategic oversight of the Plan. The Board brings together senior figures from government, law enforcement and the private sector including the financial, legal and accountancy sectors. It sets strategic priorities for the public private response to economic crime, directs resources and scrutinises performance. The Board may seek to supplement the priorities and actions in the Plan to respond to any significant future changes in the economic crime landscape. In addition, the Board's membership may be subject to change to ensure it reflects where risks sit across the economic crime landscape.
- 7.8.** The Economic Crime Delivery Board (ECDB) which is chaired by senior officials in the Home Office and HM Treasury brings together senior officials across government and law enforcement, and the Public-Private Steering Group (PPSG) which brings together representatives from government, law enforcement and the private sector, will also continue to monitor progress at working level. We will refresh the membership and terms of reference for the PPSG, ensuring it can effectively drive progress across the Plan including fraud and adding further sectors where required.
- 7.9.** The public private operational response is led by the Public Private Operational Board, in the National Economic Crime Centre. A number of project-specific boards and working groups will sit underneath this as needed to drive delivery on a day-to-day basis.



- Key**
- Public-private**
Representatives from government, law enforcement and industry
 - Public sector only**
Representatives from government and law enforcement

----- Updates / feeds in as required

Annex

Support for the Economic Crime Plan 2

The Economic Crime Plan 2 was commissioned by the Economic Crime Strategic Board and developed with the Public Private Steering Group. The actions contained in the Plan are supported by the membership of these groups and, where relevant, the organisation responsible for the delivery of the actions.

Accountancy

- Accountancy AML Supervisors Group
- BDO
- Institute of Chartered Accountants England and Wales

Banking, finance

- Investment Association
- HSBC
- Lloyds Banking Group
- NatWest
- PIMFA
- Santander
- Standard Chartered
- UK Finance

Crypto

- Elliptic
- JRM
- TRM Labs

Insurance

- Association of British Insurers
- Lloyds of London

Legal

- Bar Standards Board
- CILEx Regulation
- CLC
- Law Society of England and Wales
- Law Society of Northern Ireland
- Law Society Scotland
- Solicitors Regulation Authority



HM Government