



**CORRUPTION
WATCH**



31 July 2019

The Rt Hon Sajid Javid MP
The Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
LONDON
SW1A 2HQ

Dear Chancellor

Joint statement on the economic crime plan

The Fraud Advisory Panel, Corruption Watch, Global Witness, RUSI, The Sentry, and Transparency International UK congratulate you on your new post. We welcome the Government's commitment to the fight against fraud, bribery, corruption and money laundering, established as a national priority in the new Economic Crime Plan 2019-22 published on 12 July.

In particular, we support the proposals to: transpose the Fifth Directive on Money Laundering, strengthen the consistency of the professional bodies' supervision of anti-money laundering and counter-terrorist financing, improve the suspicious activity reporting regime and increase openness and transparency in company ownership.

The Government should now follow with concrete action, allocating essential funding and resource to all these proposals to ensure they are effective.

The fight against economic crime involves all stakeholders, and we share a common concern about the proposed governance arrangements and decision-making processes set out under the plan. We stress the importance of openness, transparency and inclusivity to inspire public trust and confidence. The commitment to public/private collaboration should be extended to include other experts from the wider private sector as well as civil society. Their contributions to challenge both the plan and its implementation and to provide important independent oversight are vital, and should be encouraged.

Susan Hawley, Policy Director of Corruption Watch, says: "This plan is too important to allow perceptions that it has been hijacked by the banking industry to undermine it. We urge the government to reconsider the composition of the Economic Crime Strategy Board as a priority."



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David Clarke, Chair of the Fraud Advisory Panel, said: “Experience has shown us that we are all stronger when we work together to tackle economic crime. In order for the Economic Crime Plan to be truly effective we must recognise that fighting fraud is a shared responsibility and not confined to any one sector or profession. Everyone has an important role to play.”

Mark Hays, Anti-Money Laundering Campaign Leader at Global Witness, says: “Successive global economic crime scandals, many of which were facilitated through the UK system, have proven the need for a joined up and serious plan to combat economic crime. We laud the attention towards this cause, but have serious concerns about some of the significant omissions in what the government has published so far. It’s disappointing that those who stand to be regulated by this plan were the only voices listened to. A wider range of views is urgently needed to truly have the desired effect of combatting the global scourge of economic crime.”

Tom Keatinge, Director of Centre of Financial Crime and Security Studies at RUSI, says: “We welcome the fact that the UK’s entrenched economic crime problems are now being given the prominence they deserve under the Economic Crime Plan. We would urge the government to work with civil society to establish an appropriate forum for tapping into civil society expertise in this area, as it commits to doing in the plan.”

Oliver Windridge, Senior Advisor at The Sentry, says: “Dirty money connected to African war criminals and transnational war profiteers should never find safe harbour in the UK. With effective implementation of the new Economic Crime Plan, we can begin to counter some of the main drivers of conflict and mass atrocities, and create new leverage for peace, human rights, and good governance in some of the world’s deadliest war zones.”

Duncan Hames, Acting Executive Director of Transparency International UK, says: “It’s right that government engages extensively with the private sector in seeking to mount effective defences against economic crime, but ultimately these decisions on strategy and policy must rest with democratically accountable ministers. Private companies should not play a major role in shaping the regulations they themselves will be subject to, and then be left to monitor and report their own progress in implementing them. There is still time for Government to address this issue and ensure policy is made exclusively in the public interest.”

We would welcome the opportunity to meet with you to discuss our views on the plan and how we feel we can contribute toward its success.

Cc: Mr John Glen MP, Economic Secretary, HM Treasury