

News story: Crack down on terrorist and criminal financing

Businesses such as banks, estate agents, accountants and payment firms will have to carry out stringent and targeted checks to make sure that money changing hands is from a legitimate source and will not be used to fund terror acts.

Serious and organised crime costs Britain at least £24 billion every year, and recent attacks demonstrate the importance of a strong toolkit to prevent terrorist atrocities. Although the vast majority of businesses are vigilant, these new rules will ensure that they are not abused by criminals or terrorists looking to move funds or obscure assets.

The rules will improve the quality of the checks. They ensure that businesses can spot suspicious activity and report it, enabling the police to act swiftly and decisively to prevent corruption or terrorist attacks.

The Economic Secretary to the Treasury, Stephen Barclay, said:

We are cracking down on terrorists and criminals funnelling money through our financial system.

Terrorist financing and money laundering are significant threat to our national security, and we are determined to make the UK a hostile environment for illicit finance.

These new rules will tighten our defences, protect the integrity of our financial system and help protect the British public from terror attacks and criminal activities.

The partnership between the banking sector and law enforcement is vital in limiting abuse of the financial system by terrorists and criminals. In the recent terrorist attacks in the UK, major UK banks provided 24 hour support for an extended period to provide critical financial intelligence to support law enforcement partners.

These regulations implement the EU 4th Money Laundering Directive and complement work across government to strengthen our defences and deliver on the 2016 Action Plan for anti-money laundering and counter-terrorist finance.

This includes the Criminal Finances Act, which will give law enforcement further capabilities and powers to recover the proceeds of crime, tackle money laundering, tax evasion and corruption, and combat the financing of terrorism.