

News story: New watchdog to close money laundering and terrorist financing loopholes

[OPBAS](#) marks the latest step in the government's crackdown on money laundering and terrorist financing, working in partnership with the private sector to tackle these threats.

[Respond](#) to the call for further information on the Anti-money laundering supervisory regime.

The watchdog will raise standards across the supervisory regime, and ensure supervisors and law enforcement work together more effectively to help identify and tackle criminals.

There are 25 AML supervisors in the UK, 22 of which are accountancy, estate agents and legal services providers' professional bodies. These professional bodies bring substantial benefits to the regime, but having several organisations supervising the same sectors risks inconsistencies which criminals may look to exploit. Research shows that serious and organised crime costs the UK at least £24 billion a year.

OPBAS will work with those professional body AML supervisors to help ensure consistently high standards of supervision, with resources focused on the greatest risks whilst minimising unnecessary burdens on the vast majority of legitimate businesses.

It builds on the 2017 Money Laundering Regulations (MLRs) that took effect last month, and set the standards that AML supervisors must meet.

OPBAS will have powers to help and ensure professional body AML supervisors meet those standards. These include the powers to publicly censure or recommend Treasury remove professional bodies that do not comply with their requirements in the MLRs.

There will be complementary safeguards so that professional bodies have opportunities to engage with OPBAS before any penalty is issued and, if necessary, to appeal a decision.

The Economic Secretary, Stephen Barclay, said:

The government is delivering the biggest reforms in a decade to tackle money laundering and terrorist financing.

The new watchdog will work closely with private sector, strengthening our partnership to ensure the UK remains a global

leader in the fight against corruption.

We are making sure that businesses do not have to shoulder unnecessary burdens while taking the vital steps to disrupt and punish criminals.