

# Press release: Proposals to introduce transparency to overseas-owned UK property published

- new proposals would deliver the world's first public register of the beneficial owners of overseas companies and other legal entities who own UK property
- National Crime Agency: "Greater transparency will assist investigators track down and recover proceeds of crime"
- investors, transparency experts and property industry called on by government to help understand how a register could be delivered

Proposals to deliver the world's first register of overseas companies and other legal entities that own property in the UK have been published as part of the government's drive to build a fair economy.

The UK would be the first country to have a public register showing the beneficial owners of property controlled by overseas companies and other legal entities, strengthening the UK's position as a world leader in corporate transparency and anti-corruption.

The register would also list the beneficial owners of overseas-registered firms involved in central government procurement exercises.

While the government welcomes legitimate foreign investment in the UK, overseas investors in the UK property market have also included criminals laundering the proceeds of crime.

Since 2004, law enforcement investigations into international corruption have identified more than £180 million of property in the UK as the suspected proceeds of corruption, with 75% of those investigated using overseas companies to hide their real owners. This is a tactic that investigators pursuing high level money laundering continue to encounter routinely.

The government today (5 April 2017) launched a call for evidence, asking overseas investors, property and transparency experts for their opinions on how this register could be delivered. The government already requires owners and controllers of UK companies to be registered with Companies House.

A research project, due to be launched shortly for the Department for Business, Energy and Industrial Strategy, will assess the likely impact of the overseas property register on inward investment and wider corporate transparency.

Business Minister Margot James said:

We are committed to protecting the integrity and reputation of the

UK property market and this register would be a valuable measure to increase transparency and investor confidence.

The extension of transparency requirements, which UK owners are already subject to, levels the playing field and means we would know who owns and controls UK property wherever they are from.

Today we are inviting the views of overseas investors, property and transparency experts on how this register could be delivered.

Donald Toon, Director for Economic Crime at the National Crime Agency said:

Criminals and their money launderers will always seek to hide the true ownership of assets, including property, to frustrate investigations and hold onto the profits of their crimes.

Greater transparency over the true ownership and control of UK property held in the name of overseas companies will make the UK a less attractive place to launder money and will assist investigators track down and recover the proceeds of crime.

Mark Hayward, Chief Executive, National Association of Estate Agents Propertymark, said:

This new register will set a gold standard for transparency and enhance the reputation of the UK property market as an attractive place to do business. We will be working closely with our members to help them understand the requirements that will help shape the world's first register of its kind.

The call for evidence is open until 15 May 2017 and can be viewed and responded to here:

1. Currently £25 million of property is frozen worldwide in connection with ongoing National Crime Agency international corruption investigations.