

# Keynote speech by Lucy Frazer MP, Financial Secretary to the Treasury

## **Introduction**

A very good afternoon, everyone.

It's brilliant to see so many of you here in London... together in person for the first time, I believe, since Sydney 2020.

I also want to extend a warm welcome to the Chiefs of Global Tax Enforcement and their teams of experts. And to the many delegates from international industry partners and the Wolfsburg Group who are joining throughout the week.

On behalf of the UK government, let me say that we're delighted to host this summit, and absolutely committed to our role as a founding member of the J5.

It's a ground-breaking alliance, which is doing things in ways that haven't been tried before. And truly making 'the world a smaller place for tax criminals'.

## **Understanding the threat**

The UK, for its part, is taking action on tax crime hard and fast.

Giving HM Revenue and Customs a range of new asset recovery and 'proceeds of crime' powers.

Introducing a ground-breaking 'failure to prevent' piece of legislation, which means that HMRC now has several corporations under live criminal investigation.

And adopting a tougher stance on offshore evasion.

But tax fraud is a perennial and persistent threat to all our nations.

And unity, transparency and collaboration will be essential if we're to tackle it.

Because, put simply, tax cheats flourish when we fail to work together.

And every scrap of information left behind by fraudsters – in any one of our jurisdictions – is a potential lead in the fight against global tax crime.

By joining forces, we undermine the global criminal community in ways we could not do alone.

So, this conference isn't just a great opportunity to celebrate everything we've already achieved together.

It's also a chance to share ideas and expertise. To renew our collective ambition. And to design and develop the next steps in this crucial fight.

### **The speed of change**

I was appointed Financial Secretary to the Treasury last September, with international tax policy as an important part of my portfolio.

Since then, I've learned a great deal.

In particular, I've been struck by the furious speed at which tax fraud evolves.

Fraud is becoming ever more complex and international. And in some ways that's a compliment to all of the J5 partners.

It's not easy to commit tax fraud and get away with it.

But as we've closed the net, criminals have upped their game.

Evaders are using increasingly complex and diverse structures to avoid detection.

Money launderers are using complex multi-jurisdictional transaction chains to hide transactions.

And organised criminals are using and abusing complex corporate structures to mask the top-tier criminals masterminding the fraud.

We've seen the movement of money and capital become increasingly fluid as historical, physical and geographical barriers to trade have slipped away.

The rise of the 'global citizen' means that tax criminals may be based in one country, but have trusts and bank accounts scattered across many others.

Of course, it's not easy for a criminal to set up such an intricate web alone.

And this is a crucial point.

The UK's HMRC team tell me they're increasingly seeing criminals harnessing professional help, direction and support – particularly in cases involving offshore entities.

In other words, it's not just the role of the fraudster that's evolving... it's also that of the enabler.

### **A crime with victims**

Of course, perhaps due to its complex nature. tax fraud is sometimes perceived as something of a victimless crime.

But that's simply not the case.

The damage can be hard to visualise – especially when those directly involved in supply chain fraud or importing illicit goods are operating thousands of miles away, hidden behind complex webs of corporate structures or criminal enablers...

But it's all too stark for the retiree who discovers too late that their tax, national insurance or workplace pension contributions have been fraudulently redirected by a payroll company. And that they can no longer afford the life they have worked so hard to build.

Or for the teenager trafficked to a foreign country to work in illicit factories manufacturing tobacco products, funded by the fraudulent activity of organised criminal gangs.

The emotional and financial costs can be lifechanging.

The impacts of tax crime can filter through into wider society.

Associated profits are used to fund other sorts of crime in our communities, giving criminals the financial means to corrupt and exert their power at home.

And while fraud is hugely damaging to its direct and indirect victims, it also ruins the lives of its perpetrators and their families. What a waste.

### **International co-operation**

A big part of the solution, as I say, is international cooperation.

We've already shown it can be done.

Last year, here in London, we saw the G7 strike a game-changing agreement on global tax reform. Ensuring large multinationals pay tax of at least 15% on their profits. And reforming taxation rules to ensure a greater share of multinationals' profit is taxed in the countries in which their customers are located.

The J5 too has made some notable steps forward.

I was particularly excited to hear about 'The Challenge' held last March – an event which brought together investigators, experts and data scientists to track down fraudsters using cryptocurrency to facilitate tax crimes.

Very far from a 'talking shop', 'The Challenge' led to real action. Including the identification of a number of suspect companies in each J5 nation.

Another example of the J5's success is the arrest and charging of 10 individuals involved in a years-long, multimillion dollar investment and impersonation scheme.

The defendants were able to defraud millions of dollars from individuals across the globe.

They were operating across multiple countries, impersonating respected investment firms, producing fake documents and hiding behind fabricated identities.

But it was thanks to collaboration between J5 members that we were able to piece together the jigsaw of evidence scattered around the globe.

### **We cannot be complacent**

We should be proud of what we've achieved together. Of course we should.

But this is no time to be complacent.

During the pandemic, we saw an increase in fraudsters identifying and exploiting new and essential products developed in the fight against Covid-19.

We must be alert not just to what criminals are doing now, but ahead of them in thinking what might be possible in the future.

Here in the UK, we continue to take steps to tackle tax fraud and evasion.

We've introduced an additional 20 measures since last year – and are forecast to raise an estimated £6.3 billion over the next 5 years.

There's also 'Making Tax Digital', our pioneering new way for businesses to keep their tax records in a modern, digital, fit-for-purpose system.

It's improving efficiency, accuracy and transparency in our tax system. And removing the opportunity for fraudsters to exploit systems built for a different age.

The UK Government has also recently provided almost £300 million for HMRC to invest in additional support across all forms of compliance activity.

We've invested in HMRC's illicit finances capability, to tackle the enablers of serious fraud, focusing on the illicit financial transactions that underpin tax crime.

This increased capacity for tackling tax crime at home can only bolster the data and technological capabilities we can share with our J5 partners.

In addition, the UK continues to spearhead the Common Reporting Standard, which provides greater transparency through the automatic exchange of taxpayer account information.

I'm delighted that more than 100 jurisdictions have signed up to the CRS.

This means that fraudsters in these jurisdictions can no longer benefit from secrecy rules used to hide transactions that would otherwise be flagged as a cause for concern.

Indeed, this significant increase in global transparency has seen HMRC bring in more than £500 million to date, directly through Automatic Exchange

Agreements such as the Common Reporting Standard.

It's also encouraging to see new important developments that increase international tax transparency, and reduce the scope for hiding assets and profits, even more.

The UK is the first major economy to commit to the OECD's new Mandatory Disclosure Rules. These require disclosure of arrangements designed to avoid CRS reporting or hide the beneficial ownership of assets.

The UK is also committed to the new OECD Model Rules for Digital Platforms that require the reporting of sales on internet platforms. And we welcome the development of the Crypto-Asset Reporting Framework, another significant new transparency initiative.

### **Public-Private collaboration**

The State, of course, is integral to tackling tax crime. And we can do a lot.

But for reforms to be successful and long-lasting, they need to be made in conjunction with the private sector.

Governments can work to regulate or provide guidance, but it's ultimately the private sector that determines who can access the financial system.

The private sector also plays a huge role in funding the mechanisms used to fight economic crime. By investing in sophisticated new technologies that undertake transactional risking and protect consumers from fraud. As well as ensuring that their operating models comply with reporting requirements.

For all those reasons, we've invested in these partnerships – expanding our capability in intelligence flows, risk alerts and behavioural insight. And they are already paying dividends.

Cooperation between HMRC and the private sector recently meant we were able to work together to prevent losses of more than £50 million following a systematic attack on our Self-Assessment taxation system.

I know that cooperation is being replicated across the J5. And I'm really excited to see what's achieved as a result.

### **Conclusion**

Ladies and Gentlemen,

Taxation relies on trust.

Trust between a Government and its citizens that rates will be set fairly and transparently.

And trust that individuals and businesses will be held accountable if they fail to pay what is due.

Tax crime undermines that trust.

But everything you do – that we do together – restores it.

We can – and we must – continue doing everything we can... to collaborate, to innovate, and to eliminate the loopholes criminals seek to exploit.

Henry Ford, the great American industrialist, once said that “Coming together is a beginning. Keeping together is progress. Working together is success.”

Well, we’ve already ‘come together’... through the J5.

This week will help us ‘keep together’... showing our joint commitment to make progress in the fight against global tax crime and showing tax criminals that our resolve is unwavering.

And, in the months and years ahead, we must continue to ‘work together’.

Because the importance of this... for our economies... for our societies... means we cannot do anything less.

Thank you very much.

---

## **MHRA approves faricimab through international work-sharing initiative**

Faricimab, a new medicine for people with the progressive eye diseases wet age-related macular degeneration (wet AMD) and visual impairment due to diabetic macular oedema (DMO), has been approved by the Medicines and Healthcare products Regulatory Agency (MHRA).

It is the first treatment approved by the UK regulator that has been made possible through the [Access Consortium ‘New Active Substance Work Sharing Initiative’](#) – a collaboration of regulatory authorities including the United Kingdom, Australia, Canada, Singapore, and Switzerland. The consortium’s goal is to maximise international co-operation between partners, reduce duplication, and increase each agency’s capacity to ensure patients have timely access to high quality, safe and effective therapeutic products. The MHRA [joined the Consortium in October 2020](#).

Faricimab (Vabysmo), an eye injection made by Roche Products Limited, is a bispecific antibody designed to block two different pathways implicated in causing vision loss in patients with wet AMD and DMO. The treatment has been shown to be effective in improving vision or reducing vision loss in these patient groups but has the added benefit in that it can be given less frequently in selected patients than other medicines currently available.

**Dr June Raine, Chief Executive, Medicines and Healthcare products Regulatory Agency said:**

We are pleased to work alongside other international regulators in the Access Consortium, which allows us to provide faster access to safe and effective medicines for all our populations, including those in the UK.

Neovascular age-related macular degeneration and diabetic macular oedema are two leading causes of vision loss. This approval highlights the significant benefit to patients in communication, collaboration and innovation with our international peers. We look forward to working together with international regulators on our shared goals of patient safety and access to new treatments.

**Sajid Javid, Health and Social Care Secretary said:**

It is fantastic news the MHRA has approved faricimab, a highly effective treatment for reducing loss of vision, as we continue to approve game-changing medicines for use in the UK.

Now we have left the EU, the UK is free to team up with other world-leading regulators to speed up the approval process for medicines, while maintaining the highest safety standards – and this is a great example of UK patients getting quicker access to cutting-edge treatments.

**Cathy Yelf, Chief Executive of leading sight loss charity the Macular Society, said:**

Patients with wet age-related macular degeneration and diabetic macular oedema face the burden of regular hospital visits to receive the vital treatment they need to save their sight. However, we know these trips can be arduous and often rely on the support of friends and family, sometimes as often as every four weeks.

We are delighted that a new treatment option, which has the potential to maintain vision and help minimise the number of hospital visits and will make a real difference to the lives of many people living with this devastating condition, has been approved by the MHRA.

It is for [National Institute for Health Excellence \(NICE\)](#) and [Scottish Medicines Consortium \(SMC\)](#) to advise in due course on whether faricimab will be available on the NHS.

## Notes to Editor

1. Medicines and Healthcare products Regulatory Agency (MHRA) is responsible for regulating all medicines and medical devices in the UK by ensuring they work and are acceptably safe. All our work is underpinned by robust and fact-based judgements to ensure that the benefits justify any risks.
2. The MHRA is an executive agency of the Department of Health and Social Care.
3. The MHRA is part of the Access Consortium along with the Therapeutic Goods Administration, Health Canada, Health Sciences Authority of Singapore and Swissmedic.

---

# [Celebrate your shortlisted 2025 UK City of Culture location](#)

## News story

Show your support for the 4 shortlisted places before the winner is revealed



The 2025 UK City of Culture is soon to be revealed. The winning location will be selected from a [shortlist of 4 UK places](#) which includes Bradford, County Durham, Southampton and Wrexham County Borough.

## How to get involved

Ahead of the winner being announced, we'll be shining a spotlight on each of these places in turn through our social media channels on the following days:

You can also show your support and get involved in celebrating what you love about each of these places on these days through your social media channels by:

Following DCMS on [Twitter](#), [Instagram](#) and [Facebook](#) to follow and share our



content.

- Sharing your messages of support for your favourite shortlisted city on their day.
- Posting images and videos about your favourite places to visit and enjoy in these cities.
- Sharing your stories and facts about what makes each shortlisted place unique.
- Make sure you include your city as a hashtag alongside the #CityofCulture2025 hashtag to join the conversation.

## About the UK City of Culture

The [2025 UK City of Culture competition](#) follows the success of previous winning cities: [Coventry 2021](#) which is live to the end of May 2022, Hull in 2017 and Derry-Londonderry in 2013.

Published 17 May 2022

---

## [Health Secretary announces 10-year Plan for dementia](#)

- Health and Social Care Secretary Sajid Javid announces plans to work across government to boost the £375 million already committed for research into neurodegenerative diseases
- Actions will reduce the up to 40% of dementia considered to be potentially preventable and explore how new technology, science and medicine can help reduce the numbers and severity of dementia.
- Record NHS funding to reduce the Covid backlog will help ensure more timely dementia diagnosis.

A new 10-Year Plan to tackle dementia will be published later this year, Health and Social Care Secretary Sajid Javid confirmed today (Tuesday 17 May 2022).

Speaking at Alzheimer's Society Conference 2022 the Health and Social Care Secretary confirmed the 10-Year Plan will focus on how new medicines and emerging science and technology can be harnessed to improve outcomes for dementia patients across the country.

Record NHS funding will help reduce the Covid backlog of dementia diagnoses, with 30,000 people facing delays during the pandemic. This will ensure timely support for the more than 900,000 believed to be living with dementia in the UK.

The plan will also focus on supporting people with their specific health and

care needs while living with dementia.

The prediction is one million people will be living with dementia by 2025 and 1.6 million by 2040.

Work was started by the UK government to tackle the global dementia challenge at the first G8 dementia summit in 2013, and the Challenge on Dementia 2020 was another milestone which saw one million care workers and one million NHS workers receiving dementia awareness training.

The government has already committed £375 million into research on neurodegenerative diseases over the next five years and the Health and Social Care Secretary has committed to working across government to boost this further.

The government is already working with those who best understand dementia, including Alzheimer's Society, ahead of setting out plans for tackling dementia.

Up to 40% of dementia is considered potentially preventable and what is good for the heart is also good for the brain, which is why the strategy will also include actions to tackle high blood pressure, physical inactivity, alcohol, obesity and to promote healthy eating.

The government has already announced other measures which will help those with dementia, including:

- The government's social care charging reforms with more generous means testing and a lifetime cap on care costs.
- The integration white paper to better link health and social care systems.
- The Health and Care Act which will put the person at the centre of care with local systems designed to deliver seamless care and support people in retaining their independence, health and wellbeing.
- Levelling up healthcare and reducing disparities across the country so everyone has the chance to live longer and healthier lives wherever they come from and regardless of their background.
- The full speech is available on [gov.uk](https://www.gov.uk)

---

## **[Bringing expert insight into UK Government](#)**

News story

Sign up to the Outside In events series for civil servants



Officials don't always have time or opportunity to explore the latest expert thinking. To help remedy that balance, the Open Innovation Team has organised more than 50 expert talks over the past two years. Speakers have included Nobel Prize winners, astronauts, journalists, historians and experts in lab-grown meat. [Abhjit Bannerjee](#), [Tim Peake](#), [Adrian Wooldridge](#), [Shoshana Zuboff](#), [Geoff Mulgan](#), [Rana Mitter](#) and [Marriane Ellis](#) have all been particularly popular.

Our events are open to any official working in the UK government, with the only stipulation being that you must have a gov.uk (or equivalent) email address in order to register. Over 20,000 officials have registered for our events since March 2020 and you can sign up [here](#) to receive our regular events newsletter.

Published 17 May 2022