



March 2022

Dear Constituent,

Thank you for contacting me about economic crime and money laundering in the UK.

I stand in complete opposition to Putin's horrific, unjust war on Ukraine. The regime's grotesque actions cannot be allowed to succeed, and I applaud my ministerial colleagues for bringing forward legislation, through the Economic Crime Bill, at pace to crack down on dirty money in the UK and tackle corrupt elites, who so often underpin Putin's leadership.

The Economic Crime Bill is made up of three core components to help the National Crime Agency prevent foreign owners from laundering their money in UK property, ensure more corrupt oligarchs can be handed an Unexplained Wealth Order (UWO), and intensify sanctions enforcement.

The new Register of Overseas Entities will require anonymous foreign owners of UK property to reveal their real identities to ensure criminals cannot hide behind secretive chains of shell companies, setting a new global standard for transparency. Entities who do not declare their 'beneficial owner' will face restrictions over selling their property, and those who break the rules could face up to 5 years in prison or a daily fine of £2,500.

An unexplained wealth order (UWO) is an investigatory order placed on a respondent whose assets appear disproportionate to their income to explain the origins of their wealth. Under the reforms being brought in on UWOs, those who hold property in the UK in a trust will be brought within scope and the definition of an asset's 'holder' will be expanded to ensure individuals can't hide behind opaque shell companies and foundations.

The reforms will also remove key barriers to the use of UWOs by increasing time available to law enforcement to review material provided in response to a UWO and reforming cost rules to protect law enforcement agencies from incurring substantial legal costs if they bring a reasonable case that is ultimately unsuccessful.

Furthermore, the Treasury will also be able to intensify sanctions enforcement by introducing a more wide-ranging 'strict civil liability test' for monetary penalties, rather than the current one which requires firms to have knowledge or a 'reasonable cause to suspect' sanctions are being breached. This will make it easier for the Office for Financial Sanctions Implementation to impose significant fines.



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Be assured, the UK continues to play a world leading role in the response to Russia's appalling actions in Ukraine and that the Government are taking all necessary steps to tackle the scourge of economic crime.

Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Chris'.

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY