

## Written evidence submitted by Spotlight on Corruption, Economic Crime and Corporate Transparency Bill

### *About us*

*Spotlight on Corruption is an anti-corruption charity that works to end corruption within the UK and wherever the UK has influence. We undertake forensic, evidence-based research on the implementation and enforcement of the UK's anti-corruption laws. Our vision is for a society where strong, transparent, and accountable institutions ensure that corruption and associated economic crime is not tolerated.*

### **Executive Summary**

Spotlight on Corruption strongly welcomes the new Bill which contains many new significant measures to enhance the UK's fight against economic crime. We also strongly welcome the important work of the Committee in scrutinising its provisions to make sure that the Bill is as ambitious as possible.

In particular, in order to enhance the ambition of the Bill, we recommend that the Bill be amended in the following three key areas:

#### **A. *Tackling professional enablers more effectively for money laundering by:***

- **Amendment A:** making the Solicitors Regulation Authority the default AML supervisor for the legal sector; and
- **Amendment B:** giving OPBAS new powers and duties to fine and publish disaggregated information on the legal and accountancy sectors and to provide oversight and ensure consistency of supervision across all supervisors.

#### **B. *Introducing more effective corporate crime rules for large corporate bodies that engage in economic crime by:***

- **Amendment C:** introducing new failure to prevent fraud, including by false accounting, and money laundering offences for companies, and a new rule to amend the underlying corporate crime rules (known as the identification doctrine) for offences in Schedule 8 of the Bill; and
- **Amendment D:** introducing consent and connivance provisions for directors for economic crime, and neglect provisions for strict liability offences.

**C. Ensuring the fight against economic crime is appropriately resourced by:**

- **Amendment E:** extending Costs Orders introduced under the Economic Crime Act 2022 for Unexplained Wealth Orders to all civil recovery cases involving economic crime;
- **Amendment F:** allowing Companies House to keep a portion of the penalties it imposes to invest in its own infrastructure; and
- **Amendment G:** creating an economic crime fighting fund to reinvest money generated from economic crime fines, settlements and civil recovery back into law enforcement bodies, or at the very least, obligate the Secretary of State to publish a report into the merits of setting up an ECFE.

**A. Tackling professional enablers more effectively for money laundering**

1. The ECCTB contains two very welcome legal sector-related provisions which will help legal sector regulators tackle enablers of economic crime - the new power of the Solicitors Regulation Authority's (SRA) to impose unlimited fines for breach of economic crime rules; and the new regulatory objective for legal sector supervisors to promote the prevention and detection of economic crime.
2. The SRA is currently an outlier among major AML regulators as it does not have the power to impose unlimited fines for money laundering.<sup>1</sup> We strongly support the inclusion of these new provisions in the Bill to ensure that the legal sector - recognised as a high risk sector by the UK's National Risk Assessment - plays a proactive role in preventing economic crime. However, to ensure that vulnerabilities in UK money laundering supervision in the legal sector and other sectors are addressed, we propose that the Bill should be amended in the following ways:

**Amendment A: Make the Solicitors Regulation Authority the default AML supervisor for the legal sector.**

3. HM Treasury identified a crucial supervisory gap whereby independent legal professionals who are not members of a professional body but undertake regulated work face no meaningful supervision for money laundering.<sup>2</sup> By

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<sup>1</sup> *Review of the UK's AML/CFT regulatory and supervisory regime*. HM Treasury. 2022.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1085407/MLRs\\_Review\\_Report\\_-\\_2.5\\_for\\_publication.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1085407/MLRs_Review_Report_-_2.5_for_publication.pdf), p.44.

<sup>2</sup> *ibid* p.45.

comparison HMRC acts as the default supervisor for the accountancy sector. In addition, when a legal sector supervisor is not fulfilling its statutory obligations with regards to money laundering, and OPBAS recommends to the Treasury that the supervisor be relieved of its AML responsibilities, there is no appropriate mechanism for reallocating those responsibilities to another supervisor.

4. The SRA is the largest AML supervisor in the legal sector, responsible for 74.9% of the AML supervised population in the sector. As a separate and independent regulatory arm of the Law Society, it does not suffer from a conflict of interest, unlike some other supervisors in the sector. Furthermore, it is currently the only legal sector supervisor to have built up a meaningful track record of AML enforcement action, with a designated AML team, and it accounts for 97% of all fines imposed between 2017 and 2020. We therefore propose the Bill is amended to urgently address the supervisory gap identified by HMT.

**Amendment B: give OPBAS new powers and duties to fine and publish disaggregated information on the legal and accountancy sectors and to provide oversight and ensure consistency of supervision across all supervisors.**

5. Last year OPBAS found only 15% of the 22 different professional body supervisors (PBS) in the legal and accountancy sectors responsible for anti-money laundering were effective *“in using predictable and proportionate supervisory action,”* and that just 19% *“had implemented an effective risk-based approach”* to supervision.<sup>3</sup>
6. While some improvements have been noted by the government in AML supervision by the FCA and HMRC - around strengthening their risk-based approach<sup>4</sup> - both continue to display significant weaknesses. An International Monetary Fund (IMF) review of the UK in April 2022 noted of FCA AML supervision that: *“The annual number of desk-based and onsite inspections (less than 200) in the past three years do not appear commensurate to the assessed risks of the supervised entities.”* The IMF expressed concerns as a result *“as to the extent to which a substantial portion of supervised entities are effectively*

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<sup>3</sup> *Anti-Money Laundering Supervision by the Legal and Accountancy Professional Body Supervisors: Progress and themes from our 2020/21 supervisory assessments.* OPBAS. 2021. <https://www.fca.org.uk/publication/opbas/supervisory-assessments-progress-themes-2020-21.pdf>.

<sup>4</sup> *Review of the UK’s AML/CFT regime*, p.46.

*monitored for AML/CFT compliance”.*<sup>5</sup>

7. HMRC meanwhile has drastically reduced the average value of financial penalties it issues for AML breaches by those it regulates, raising real questions about its ability to provide credible deterrence. In 2019-20, the average HMRC fine for an AML breach was £290,000. Due to “*a change in the type of penalties being issued*”, the average penalty value for 2019-20 was revised down to £61,652. In 2021-22 the average penalty was decreased further to £8,842, a 97% reduction compared to the original average penalty in 2019-20.<sup>6</sup>
8. HMRC supervises a large proportion of high-risk standalone Trust and Company Service Providers (TCSPs).<sup>7</sup> The Bill currently provides for Authorised Corporate Service Providers (ACSPs) to conduct identity verification checks for those seeking to file information with Companies House as long as they declare who they are supervised by. Effective supervision of these providers is therefore essential to the integrity of the register. It is not currently clear however that HMRC is providing this supervision.
9. Financial penalties issued by HMRC for TCSPs fell by 76% between 2017-18 and 2021-22 from 21 to 5, despite the 2020 National Risk Assessment noting that TCSPs are the “*highest risk services*” enabling “*the laundering of millions of pounds.*” Accountancy PBSs supervise 72% of TCSPs, legal-sector PBSs supervise 23%, while the rest are supervised by HMRC.<sup>8</sup> If the integrity of the information filed with Companies House and the consistency of checks on this information are to be established, robust supervision of ACSPs is essential.
10. The proposed Treasury consultation on the most effective structures for UK AML supervision should in our view be urgently fast-tracked and must look closely at

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<sup>5</sup> *United Kingdom: Financial Sector Assessment Program—Some Forward Looking Cross-Sectoral Issues*. IMF. 2022. <https://www.imf.org/en/Publications/CR/Issues/2022/04/07/United-Kingdom-Financial-Sector-Assessment-Program-Some-Forward-Looking-Cross-Sectoral-516282>, p.20.

<sup>6</sup> *Anti-Money Laundering Supervision annual assessment*. HMRC. March 2022. <https://www.gov.uk/government/publications/hmrc-anti-money-laundering-supervision-performance-assessment/hmrc-anti-money-laundering-supervision-annual-assessment>, paragraph 7.3; *Economic crime supervision annual assessment report: 1 April 2021 to 31 March 2022*. HMRC. October 2022. <https://www.gov.uk/government/publications/hmrc-economic-crime-supervision-annual-assessment-report-2021-to-2022/hmrc-economic-crime-supervision-annual-assessment-report-1-april-2021-to-31-march-2022>, paragraph 7.5

<sup>7</sup> *National risk assessment of money laundering and terrorist financing*. HM Treasury and Home Office. 2020. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/945411/NRA\\_2020\\_v1.2\\_FOR\\_PUBLICATION.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945411/NRA_2020_v1.2_FOR_PUBLICATION.pdf), pp.80, 102.

<sup>8</sup> *Ibid.*

how to achieve supervisory best practice. While this consultation is in progress, there are immediate steps that could be taken to address the current vulnerabilities in the UK AML supervisory regime and the risks this poses to the integrity of the corporate register which this amendment addresses.

11. New powers we propose for OPBAS on an urgent basis include:
  - a. Fast-tracking a proposal under consideration by the Treasury that the body be able to impose financial penalties on PBSs who are failing to conduct effective supervision..
  - b. A new duty for OPBAS to make public its censures or motions, and to publish disaggregated data on PBSs; and
  - c. A new power to review performance of statutory supervisors as well as PBSs - implementing a reform long-called for by the Treasury Select Committee to make it a genuine supervisor of supervisors.<sup>9</sup>
  - d. New resourcing to enable OPBAS to fulfil these new powers and duties.

***B. Introducing more effective corporate crime rules for large corporate bodies that engage in economic crime.***

**Amendment C: introduce new failure to prevent fraud, including by false accounting, and money laundering offences for companies, and a new rule to amend the underlying corporate crime rules (known as the identification doctrine) for offences in Schedule 8 of the Bill.**

12. The identification doctrine - the current antiquated doctrine that governs how corporate criminality can be prosecuted - makes it prohibitively hard to prosecute large financial and corporate bodies for certain types of economic crime. The Law Commission recently noted that the doctrine: “*makes it harder to apply the rule to larger, complex corporations*”<sup>10</sup> and incentivises poor corporate governance.<sup>11</sup> The government has addressed these issues in relation to bribery and facilitation of tax evasion by introducing failure to prevent offences in the Bribery Act 2010, and the Criminal Finances Act 2017 but not for other economic crime offences. It is inconsistent to have different models of corporate liability

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<sup>9</sup> *Economic Crime - Anti-money laundering supervision and sanctions implementations*. Treasury Select Committee. 2019. <https://publications.parliament.uk/pa/cm201719/cmselect/cmtreasy/2010/201002.htm>; *Report on Economic Crime*. Treasury Select Committee. 2022. <https://committees.parliament.uk/publications/8691/documents/88242/default/>.

<sup>10</sup> *Corporate Criminal Liability: an options paper*. Law Commission. 2022. [https://s3-eu-west-2.amazonaws.com/lawcom-prod-storage-11jsxou24uy7q/uploads/2022/06/Corporate-Criminal-Liability-Options-Paper\\_LC.pdf](https://s3-eu-west-2.amazonaws.com/lawcom-prod-storage-11jsxou24uy7q/uploads/2022/06/Corporate-Criminal-Liability-Options-Paper_LC.pdf). Pp. 25 - 25

<sup>11</sup> *Ibid.* Pp.41-42

operating for different economic crimes, and undermines the UK's ability to effectively hold companies to account for the full range of economic crimes.

13. The UK's poor record on prosecuting high-end money laundering has been noted by several international reviews. In its 2022 financial sector assessment program paper on the UK the IMF noted the high bar that the identification principle provides for prosecuting corporate crime.<sup>12</sup> It noted that: "*Enhancing the legal framework on corporate criminal liability can contribute to ensuring strong AML/CFT compliance in large entities by holding senior management accountable for failure to prevent economic crimes*".<sup>13</sup> FATF noted in 2018 that the UK's ability to prosecute large companies for money laundering "remains limited," and questioned if the UK's prosecution of large actors for money laundering reflected "*UK's threats, risk profile and national AML policies*."<sup>14</sup>
14. The 6th EU Anti- Money Laundering Directive introduced in early December 2020 requires member states to ensure that member states can hold corporate bodies criminally liable where there is a lack of supervision or control. The UK opted out of this Directive, and there were questions at the time over whether the UK's corporate liability rules would have met the standard outlined in the Directive.<sup>15</sup>
15. The UK's Crown Dependencies have notably been taking action to bring their rules in line with the Directive. In June 2022, Jersey introduced a failure to prevent money laundering offence while Guernsey's Committee for Home Affairs has recommended that Guernsey do the same.<sup>16</sup> The UK is at risk of being out of step with EU jurisdictions and its own Crown Dependencies on criminal liability for money laundering. A failure to prevent money laundering offence would put the onus on the regulated sector to prove they have the right corporate governance procedures in place to prevent money laundering - rather than prosecutors currently having to prove that a corporate body did not have these procedures in place if they want to bring a prosecution under the UK's Money

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<sup>12</sup> *United Kingdom: Financial Sector Assessment Program*. P.24.

<sup>13</sup> *Ibid.*

<sup>14</sup> *UK Mutual Evaluation Report*. FATF. 2018. <https://www.fatf-gafi.org/media/fatf/documents/reports/mer4/MER-United-Kingdom-2018.pdf>

<sup>15</sup> *Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law*. [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L\\_.2018.284.01.0022.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.284.01.0022.01.ENG).

<sup>16</sup> *Jersey: The New Failure To Prevent Money Laundering Offence: What Are Jersey Businesses Required To Do?*, <https://www.mondaq.com/jersey/money-laundering/1215718/the-new-failure-to-prevent-money-laundering-offence-what-are-jersey-businesses-required-to-do>; *Changes to the criminal justice framework in Guernsey*. Christopher Edwards and Iona Mitchell. August 2022. <https://www.mourant.com/file-library/media---2022/mourant---changes-to-the-criminal-justice-framework-in-guernsey.pdf>

## Laundering Regulations.

16. Most urgently, a new failure to prevent fraud offence would help address the UK's serious fraud epidemic. Fraud accounts for 40% of all recorded crime,<sup>17</sup> but fraud prosecutions have fallen from 42,000 in 2011, to 13,500 in 2021 in the last decade, a 67% decrease.<sup>18</sup> According to the Crown Prosecution Service (CPS): *“an extension of the ‘failure to prevent’ model to fraud, false accounting and money laundering would be unlikely to require companies to do more than what they would already be expected to do under the current law (which relies on the identification doctrine) but it would enable prosecutors to hold them to account more effectively where they fail to do so”*.<sup>19</sup> The heads of the Serious Fraud Office (SFO) and the CPS have both recently called for new failure to prevent offences.<sup>20</sup>
  
17. An amendment extending failure to prevent offences to fraud and money laundering has the potential to significantly improve corporate governance and accountability for these offences, and ensure that the private sector plays its role in preventing them. However, it is essential that the underlying identification doctrine which covers substantive offending by corporates is also amended for economic crime in order to implement the Law Commission's most ambitious options for corporate liability reform outlined in its recent paper.<sup>21</sup>

### **Amendment D: introduce consent and connivance provisions for directors for economic crime, and neglect provisions for strict liability offences.**

18. Senior executives are rarely, if ever, held to account for economic crime committed by the companies they lead. In recent years there has been a string of acquittals of senior executives of companies in cases brought by the SFO, including former executives from Tesco, Güralp and Sarclad.<sup>22</sup> In the latter three cases, the companies had all signed DPAs with the SFO in which they admitted to

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<sup>17</sup> *Fraud surged by 24% under Covid*. Victims Commissioner. 2021. <https://victimscommissioner.org.uk/news/who-suffers-fraud/>

<sup>18</sup> *Moj Criminal Justice Statistics*. June 2021. <https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-june-2021>

<sup>19</sup> *Corporate Criminal Liability: an options paper*. p.95.

<sup>20</sup> *Growing calls to extend ‘failure to prevent’ offences to fraud*. Pinsent Masons. 2022. <https://www.pinsentmasons.com/out-law/news/calls-extend-failure-to-prevent-offences-fraud>

<sup>21</sup> *Corporate Criminal Liability: an options paper*.

<sup>22</sup> *Tesco PLC*. SFO. 2013. <https://www.sfo.gov.uk/cases/tesco-plc/>; *Güralp Systems Ltd*. SFO. 2018.

<https://www.sfo.gov.uk/cases/guralp-systems-ltd/>; *Sarclad Ltd*. SFO. 2019. <https://www.sfo.gov.uk/cases/sarclad-ltd/>

alleged criminal misconduct in statements of agreed facts. Yet the SFO was unable to successfully prosecute the executives for the underlying misconduct.

19. The Senior Managers and Certification Regime introduced in 2016 as a result of the 2008 financial crisis was meant to address this lack of individual liability. However, in the past six years, only two investigations have resulted in penalties being imposed and financial services experts have expressed concerns that the regime “*lacks bite.*”<sup>23</sup>
20. The Law Commission found that it was “*reasonable for directors to be criminally liable where they have consented to or connived in corporate offending and - in some cases - where that is attributable to neglect.*”<sup>24</sup> In particular, the Commission noted that there was a case in principle for neglect provisions to be extended to failure to prevent offences, although it argued that if it were to be extended it should be on the basis of lower culpability.
21. This amendment would give effect to the Law Commission’s recommendations on senior executive liability and make it easier to hold directors to account where they have been involved in or wilfully blind to economic crime by the company they run. Stronger enforcement of director’s responsibilities will lead to better corporate governance and better run companies.

### ***C. Ensuring the fight against economic crime is appropriately resourced***

**Amendment E: extend Costs Orders introduced under the Economic Crime Act 2022 beyond Unexplained Wealth Orders to all civil recovery cases involving economic crime.**

22. In response to the high costs faced by law enforcement agencies when making unsuccessful UWOs, and the fact that this disincentivises these agencies from using UWOs, the government introduced a new Costs Order in March 2022 in the Economic Crime (Transparency and Enforcement) Act. This ensures that costs are not awarded against a law enforcement authority applying for a UWO

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<sup>23</sup> *SMCR investigations halve, despite extension to almost 50,000 firms.* Bovill. 2022. <https://www.bovill.com/smc-investigations-halve-despite-extension-to-almost-50000-firms/>.

<sup>24</sup> *Corporate Criminal Liability: an options paper.* para 9.49.

unless it has acted unreasonably, dishonestly or improperly.<sup>25</sup>

23. Currently different rules are applicable in different courts for civil recovery proceedings. For example, enforcement authorities will rarely have to pay costs when pursuing civil recovery in the magistrates' court,<sup>26</sup> but can be exposed to significant costs in High Court proceedings, creating a chilling effect where the general rule is that the unsuccessful party pays the legal costs of the successful party.<sup>27</sup>

24. Law enforcement bodies have asked for these orders to be extended to civil recovery clauses under Part 5 of POCA to enable them to increase their risk appetite on such cases.<sup>28</sup> The extension of these orders to all of Part 5 in cases of economic crime - as long as law enforcement has acted reasonably, honestly and properly - has the potential to ensure that significantly more stolen assets can be recovered and returned to victims. For this amendment, "cases of economic crime" would include offences under Schedule 8 of the Bill.

**Amendment F: allow Companies House to keep a portion of the penalties it imposes to invest in its own infrastructure.**

25. The ECCTB contains provisions for Companies House to impose financial penalties of up to £10,000 when a person has committed a relevant offence.<sup>29</sup> These penalties will currently go into the Consolidated Fund. We believe these fines could, like certain fees charged by the registrar, be directly reinvested into Companies House to support the ambitious new role it has been given by the government.

26. Several examples provide a precedent for reinvesting fines and penalties rather than returning them to the Consolidated Fund. In June 2022, the Information Commissioner announced a new arrangement with DCMS that it could keep

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<sup>25</sup> *Economic Crime (Transparency and Enforcement) Act 2022. Part 2 - Unexplained Wealth Orders*. HMG. 2022. <https://www.legislation.gov.uk/ukpga/2022/10>.

<sup>26</sup> This is in keeping with the so-called *Perinpanathan* principle, developed in case law, that where a public authority is unsuccessful in bringing an application in the crown or magistrates' courts, the default position is that no order for costs should be made unless the public authority acted unreasonably.

<sup>27</sup> Rule 44.2 of the Civil Procedure Rules. The risk appetite to launch ambitious civil recovery proceedings is particularly limited following the UK Supreme Court's decision in *Perry and Ors v Serious and Organised Crime Agency* [2012] UKSC 25.

<sup>28</sup> *Economic Crime and Corporate Transparency Bill, Public Bill Committee first sitting*. 2022. [https://publications.parliament.uk/pa/bills/cbill/5803/0154/PBC154\\_EconomicCrime\\_1st2nd\\_Compilation\\_25\\_10\\_2022\\_REV.pdf](https://publications.parliament.uk/pa/bills/cbill/5803/0154/PBC154_EconomicCrime_1st2nd_Compilation_25_10_2022_REV.pdf)

<sup>29</sup> *Section 96, Financial Penalties*. <https://publications.parliament.uk/pa/bills/cbill/58-03/0154/220154.pdf>

some of its civil monetary penalties to fund them to take on large tech companies.<sup>30</sup> Ofwat were allowed in 2019 to use some of the penalty on Southern Water to reimburse customers, by limiting the fine element of the penalty.<sup>31</sup> And the Gambling Commission is allowed to require payments in lieu of a financial penalty as part of regulatory settlements which can be used for socially responsible purposes (for example, compensating victims or making payments to charities).<sup>32</sup>

27. Additionally, while it is very welcome that the Bill gives Companies House powers to ensure the integrity of information on the register, these new powers will require significant resources that, in the long term, are likely to exceed the £65 million of funding the government has committed so far.<sup>33</sup> It is essential that the government raises Companies House fees to a level that allows it to conduct a gold standard identification verification and proactively prevent economic crime.

**Amendment G: Create an economic crime fighting fund to reinvest money generated from economic crime fines, settlements and civil recovery back into law enforcement bodies, or at the very least, obligate the Secretary of State to publish a report into the merits of setting up an ECFF.**

28. While some funds from civil recovery action are returned to some law enforcement bodies via the Asset Recovery Incentivisation Scheme (ARIS), most of the money generated by fines, settlements and civil recovery goes to the Treasury. In 2021/22 only around 40%, or £142 million out of the £354 million recovered from Confiscation Order, Forfeiture Order and Civil Recovery Order receipts were distributed among agencies.<sup>34</sup> By comparison, since 1984 all forfeiture proceeds in the US have gone into the “Assets Forfeiture Fund” (AFF) within the US Treasury that is administered by the Department of Justice. The Attorney General then has the authority to distribute funds in the AFF to any

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<sup>30</sup> *ICO funding update: Fine income retention agreement*. Information Commissioner’s Office. 2022. <https://ico.org.uk/about-the-ico/media-centre/news-and-blogs/2022/06/ico-funding-update-fine-income-retention-agreement/>

<sup>31</sup> *Water Companies: Regulation, Question for Department for Environment, Food and Rural Affairs*. 2022. <https://questions-statements.parliament.uk/written-questions/detail/2022-09-07/hl2280>

<sup>32</sup> *Statement of principles for determining financial penalties*. Gambling Commission. 2017. <https://www.gamblingcommission.gov.uk/print/statement-of-principles-for-determining-financial-penalties>

<sup>33</sup> *The cost of complacency: illicit finance and the war in Ukraine: Government Response to the Committee’s Second Report*. 2022. <https://publications.parliament.uk/pa/cm5803/cmselect/cmcaff/688/report.html>

<sup>34</sup> *Asset recovery statistical bulletin: financial years ending 2017 to 2022*. Home Office. 2022. <https://www.gov.uk/government/statistics/asset-recovery-statistical-bulletin-financial-years-ending-2017-to-2022/asset-recovery-statistical-bulletin-financial-years-ending-2017-to-2022>

federal agency participating in the Asset Forfeiture Program.<sup>35</sup> Local and state law enforcement bodies can keep 80% of forfeited assets under the Equitable Sharing program.<sup>36</sup>

29. The ECCTB features provisions around the confiscation and forfeiture of crypto assets, with proceeds to be paid into the Consolidated Fund. We believe these proceeds should instead go into and form the basis of an Economic Crime Fighting Fund, into which a proportion of all funds collected from asset recovery on economic crime cases, along with fines under the DPA regime, and regulatory fines imposed by Anti-Money Laundering (AML) regulators such as HMRC, SRA and the FCA, should be paid. This could be invested in specific projects that align with agencies' strategic priorities, such as state-of-the-art IT infrastructure and data analysis capabilities.

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<sup>35</sup> *AG Guidelines On Seized And Forfeited Property*. US Department of Justice. <https://www.justice.gov/jm/jm-9-118000-ag-guidelines-seized-and-forfeited-property>

<sup>36</sup> *State And Local Law Enforcement Agencies To Receive More Than \$730,296 In Federally-Forfeited Funds*. U.S. Attorney's Office Western District of North Carolina. 2018. <https://www.justice.gov/usao-wdnc/pr/state-and-local-law-enforcement-agencies-receive-more-730296-federally-forfeited-funds>