

Economic Crime and Corporate Transparency Bill

AMENDMENT
TO BE MOVED
ON REPORT

After Clause 187

LORD ALTON OF LIVERPOOL
LORD LEIGH OF HURLEY
LORD COAKER
LORD FOX

Insert the following new Clause –

“Duty to disclose funds and economic resources

After section 16 of the Sanctions and Anti-Money Laundering Act 2018, insert –

“16A Duty to disclose funds and economic resources

- (1) Any regulations made under section 1 (power to make sanctions regulations) must, for the purposes of preventing an offence under those regulations, make provision requiring designated persons –
 - (a) to report to the Treasury or another competent authority, within three months after such regulations are made or within three months from the date of designation, whichever is the latest, the funds or economic resources that –
 - (i) are currently held, owned or controlled by them within the United Kingdom, and
 - (ii) were held, owned or controlled by them within the United Kingdom six months prior to the date of designation, and
 - (b) to cooperate with the Treasury or other competent authority in any verification of such information.
- (2) A failure to comply with a requirement in subsection (1) may be considered as participation in activities the object or effect of which is (whether directly or indirectly) to circumvent such requirement.
- (3) Where a designated person has been convicted of an offence by virtue of subsection (2), a court proceeding under section 6, 92 or 156 of the Proceeds of Crime Act 2002 (confiscation orders) must consider such person as benefitting by the value of any assets concealed through such criminal conduct.

After Clause 187 - continued

- (4) Assets concealed as a result of a failure to comply with a requirement in subsection (1) constitute recoverable property for the purposes of Part 5 of the Proceeds of Crime Act 2002 (civil recovery of the proceeds etc. of unlawful conduct).
- (5) A court may only make an order for the confiscation or forfeiture of concealed assets if, or to the extent that, it would not be just and equitable to require the designated person to pay the amount recoverable under subsection (3) or to forfeit the property recoverable under subsection (4).
- (6) Regulations under subsection (1) may also be made in relation to a person who is subject to an International Criminal Court warrant for an offence that would constitute an economic crime in the United Kingdom.””

Member’s explanatory statement

This amendment says that sanctions regulations must, for the purposes of preventing an offence under those regulations, require designated persons to disclose all assets they own or control in the UK. Failure to disclose such assets is defined as a form of sanctions evasion, which is already criminalized under UK law, and which could result in asset recovery under the Proceeds of Crime Act.

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8 June 2023
