HMT consultation on improving the effectiveness of the money laundering regulations

General Features



24 April 2024

Members will be interested to know that HM Treasury have issued a consultation on improving the effectiveness of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations.

The consultation on changes to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations (money laundering regulations) is one of HM Treasury's (HMT's) commitments as part of the Economic Crime Plan 2023-26. HMT have proposed several technical changes that could increase the effectiveness of the money laundering regulations, whilst reducing burdens and ensuring proportionality for firms and their clients. The consultation includes 55 questions across four main themes, as well as a cost of compliance survey for regulated businesses.

Themes

The core themes of the consultation are:

- making customer due diligence more proportionate and effective;
- strengthening system coordination;
- providing clarity on the scope of the money laundering regulations; and
- reforming registration requirements for the Trust Registration Service.

The full list of questions is in Annex B of the consultation document (see tinyurl.com/5d4nyk97). Responses are welcome from stakeholders, including regulated businesses and their customers and members of the public. The consultation closes on 9 June 2024.

Cost of compliance survey for regulated businesses

Alongside the consultation, HMT are conducting a survey on the cost of compliance with the money laundering regulations. This will help to understand better how regulated businesses comply with the regulations and to assess the impact of future changes to the money laundering regulations. Firms are encouraged to share as much information as possible; HMT will not publish any firm-level data provided. Firms can respond to the short survey using the link provided (see tinyurl.com/bdz6tfae).

How to provide comments

There is further information on the GOV.UK website (Improving the effectiveness of the Money Laundering Regulations at tinyurl.com/mrz4p3zc).

HMT have advised that responses can be submitted through HMT's online Smart Survey form, which can be found at tinyurl.com/mupr6ck4. Alternatively, members can provide comments to the CIOT by emailing standards@ciot.org.uk or to the ATT by emailing standards@att.org.uk.

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