

Mutual Evaluation Report of the United Kingdom - 2018

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*Paris, 7 December 2018 - **The United Kingdom has a well-developed and robust regime to effectively combat money laundering and terrorist financing. However, it needs to strengthen its supervision, and increase the resources of its financial intelligence unit.***

The FATF has conducted an [assessment](#) of the United Kingdom's anti-money laundering and counter terrorist financing (AML/CFT) system. The assessment is a comprehensive review of the effectiveness of the UK's measures and their level of compliance with the FATF Recommendations.

The UK is the largest financial services provider in the world. As a result of the exceptionally large volume of funds that flows through its financial sector, the country also faces a significant risk that some of these funds have links to crime and terrorism. This is reflected in the country's strong understanding of these risks, as well as national AML/CFT policies, strategies and proactive initiatives to address them.

The UK aggressively pursues money laundering and terrorist financing investigations and prosecutions, achieving 1400 convictions each year for money laundering. UK law enforcement authorities have powerful tools to obtain beneficial ownership and other information, including through effective public-private partnerships, and make good use of this information in their investigations. However, the UK financial intelligence unit needs a substantial increase in its resources and the suspicious activity reporting regime needs to be modernised and reformed.

The country is a global leader in promoting corporate transparency and it is using the results of its risk assessment to further strengthen the reporting and registration of corporate structures. Financial institutions as well as all designated non-financial businesses and professions such as lawyers, accountants and real estate agents are subject to comprehensive AML/CFT requirements. Strong features of the system include the outreach activities conducted by supervisors and the measures to prevent criminals or their associates from being professionally accredited or controlling a financial institution. However, the intensity of supervision is not consistent across all of these sectors and UK needs to ensure that supervision of all entities is fully in line with the significant risks the UK faces.

The UK has been highly effective in investigating, prosecuting and convicting a range of terrorist financing activity and has taken a leading role in designating terrorists at the UN and EU level. The UK is also promoting global implementation of proliferation-related targeted financial sanctions, as well as achieving a high level of effectiveness in implementing targeted financial sanctions domestically

The UK's overall AML/CFT regime is effective in many respects. It needs to address certain areas of weakness, such as supervision and the reporting and investigation of suspicious transactions. However, the country has demonstrated a robust level of understanding of its risks, a range of proactive measures and initiatives to counter the significant risks identified and plays a leading role in promoting global effective implementation of AML/CFT measures.

FATF adopted this report at its Plenary meeting in October 2018.

[Outcomes FATF Plenary, 17-19 October 2018](#)

Source: FATF, in 2018.12.07.