

Press Release

22 July, 2021 - New sanctions to tackle corruption abroad are welcome, but the UK urgently needs to get serious about a more holistic approach to tackling UK money laundering of ill gotten gains if the regime is to have credibility, says NGO coalition.



“We want the UK’s anti-corruption sanctions regime to be ambitious and the announcement of five new designations is a step in the right direction. While the FCDO should be commended for their use of sanctions to tackle corruption, it is getting harder to ignore the disconnect between the vision for Global Britain and the UK’s dismal domestic record. If the UK wants to have credibility on the global stage, it urgently needs to provide greater transparency and sufficient enforcement resources to make the wider goal of sanctions work, and prevent the UK being used as a safe haven for ill gotten gains.”

For too long, the opacity provided by Britain’s lax company law and its secretive offshore financial centres has made it possible for the corrupt to move, hide and defend their ill-gotten gains, with luxury UK property being a favoured destination. While successive governments have pledged to clamp down on those seeking to launder dirty money through our economy, key reforms that would help deliver against this promise are long overdue. Inaction on corporate transparency in the UK and its secrecy havens undermines the effectiveness of the government’s new corruption sanctions regime.”

UK Anti-Corruption Coalition

Today’s announcement of the second tranche of designations under the Global Anti-Corruption Sanctions Regime is welcomed by a coalition of the UK’s leading anti-corruption organisations.

We welcome the designation of Zimbabwean businessman Kudakweshe Tagwirei. An [investigation](#) by The Sentry has previously shown how Tagwirei’s business track record reveals a pattern of accusations of privileged access and special treatment. The designation of Teodoro Obiang Mangue, the Vice-President of Equatorial Guinea and son of the President, is a welcome targeting of senior members of a serving government and is the right kind of ambition for the UK’s sanctions regime.

However, the ultimate test of this regime is whether there have been real costs for corrupt actors. We need more transparency on assets frozen, independent oversight of the regime, and more resources for enforcement. We [urge](#) the UK Government to take the following steps:

1. Provide sufficient resources to the National Crime Agency and the Office of Financial Sanctions Implementation (OFSI) to ensure sanctions are proactively enforced, and to the Foreign Commonwealth and Development Office team to investigate allegations of corruption.
2. Consult on the creation of an Independent Expert Advisory Group to advise the Foreign Secretary on implementation of sanctions, ensure objective criteria are applied consistently, and review delistings.
3. Introduce a system allowing for non-governmental actors including Parliamentarians, civil society and the private sector to provide information about corrupt actors, via a secure portal.

4. Commit to full transparency about the use of sanctions, including quarterly reporting to Parliament about amounts frozen, visas denied, types of assets frozen and requests for delisting.
5. Apply targeted sanctions to networks of actors who threaten the rule of law, democracy, peace and stability and their enablers, coupled with strong and consistent messaging and multilateral cooperation where possible.

At the same time, the regime's credibility is being undermined by the UK Government's failure to address widespread concerns about standards in public life, undue influence through lobbying, probity in public contracting, and weaknesses in the UK's defences against dirty money. Inaction is no longer an option. We outline how the UK Government can tackle corruption, both at home and abroad, in *Fighting Corruption: Agenda for 2021*.

Note to editors:

- The UK Anti-Corruption Coalition brings together eighteen of the UK's leading anti-corruption organisations who, through their work, witness the devastating impact of corruption on society - in the UK and abroad. More information available [here](#).

The following Coalition members are available to talk to journalists about specific designations (or absence of such designations) in the following regions:

RAID can speak on victims of corruption and how corruption impacts local communities, as well as some of the actors sanctioned under US Global Magnitsky, but not yet by the UK.

Contact: Anneke Van Woudenberg, Executive Director, + (44) 77 11 66 4960 avw@raid-uk.org

REDRESS can speak on the intersection between human rights abuses and corruption and the two sanctions regimes; and the importance of sanctions as a tool for accountability.

Contact: Eva Sanchis, Head of Communications, eva@redress.org; +44 (0)207 793 1777 or +44 07857110076.

Global Witness can speak on the cases of grand corruption and the importance of sanctions mechanisms; and the way they compare to other sanctions regimes including the US and the EU.

Contact: Clare Hammond, Researcher, CHammond@globalwitness.org

Spotlight on Corruption can speak on specific cases of egregiously corrupt actors who it is seeking to be designated, as well as on the technical details of the regime itself and how it compares with other sanctions regimes, and fits with the UN Convention against Corruption.

Contact: Susan Hawley, Executive Director, +44 (0)7940 827605 susan@spotlightcorruption.org

The Sentry can speak on the impact of corruption and its role in conflict in sub-Saharan Africa, sanctions implementation in sub-Saharan Africa, the link between corruption and human right sanctions, corruption sanctions and impact on the financial sector, and the wider role of the UK in global anti-corruption efforts.

Contact: Greg Hittelman, Communications Director +1 (310) 717-0606 gh@thesentry.org

Transparency International UK can speak about the role of UK service providers in enabling global corruption, and how sanctions could be deployed strategically against individuals and entities in key jurisdictions, especially in the Eurasia region.

Contact: Harvey Gavin, Communications Manager, press@transparency.org.uk