



The Rt Hon Alok Sharma MP
Secretary of State for Business, Energy and Industrial Strategy
1 Victoria Street
London
SW1H 0ET
United Kingdom

17th November 2020

Dear Mr Sharma,

We are writing on behalf of the UK Anti-Corruption Coalition, a group of eighteen UK-based organisations who, through our work, witness the devastating impact of corruption on the UK and around the world.

The recent FinCEN Files leak has, once again, drawn attention to the UK's role in laundering corrupt and illicit funds through the global financial system. A total of 3,282 British companies were named in the Files - more than any other country in the world. Scandals such as these pose a serious threat to Britain's reputation as a clean place to do business. A reputation that, as we look to recover from the economic impact of the coronavirus pandemic and forge a new path outside of the EU, has rarely been so important.

Urgent action is needed to address this problem, and we welcome the Government's recent announcement of reforms for Companies House. It is essential that this announcement is backed with measures to ensure the full implementation and proper resourcing of these reforms, and that they suffer no further delay. The Government should also ensure that it continues to show leadership on beneficial ownership disclosure and extractives (oil, gas and mining) transparency, both of which are critical for the integrity of our financial system.

To this end, we encourage the Government to take the following steps:

- Prioritise the passage of legislation to enact the recently announced Companies House reforms and the creation a register of the overseas entities that own UK property.
- Support the resourcing of reforms for Companies House by raising the incorporation fee for new companies, which currently stands at only £12.
- Join the Beneficial Ownership Leadership Group and prioritise beneficial ownership and tackling illicit finance at the upcoming G7 meetings.
- Improve the Companies House extractives service (online payments-to-governments reporting by UK-incorporated oil, gas and mining companies) along the lines that Publish What You Pay UK recommended in its August 2019 consultation submission; and include payments to governments for the sale of publicly owned oil, gas and minerals (commodities trading) within the scope of transactions which are required to be disclosed.

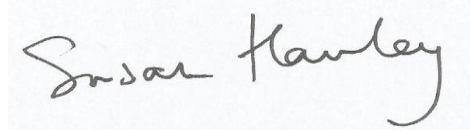
Failing to address these issues has consequences for us all, from the world's most vulnerable people to its largest companies. As a coalition of the UK's leading anti-corruption organisations, we are keen to offer our expertise to ensure that no British company is abused by those looking to steal, hide or launder corrupt funds.

We would be delighted to discuss the issues outlined in this letter in more detail, at your convenience.

Yours sincerely,

Rachel Davies Teka

Susan Hawley

A handwritten signature in blue ink, appearing to read 'RD Teka'.A handwritten signature in black ink, appearing to read 'Susan Hawley'.

Co-Chair of the UK Anti-Corruption Coalition
Head of Advocacy, Transparency International UK

Co-Chair of the UK Anti-Corruption Coalition
Executive Director, Spotlight on Corruption

The UK Anti-Corruption Coalition brings together the UK's leading anti-corruption campaigners, including Article 19, Campaign for Freedom of Information, Global Witness, International Lawyers Project, International State Crime Initiative, Natural Resource Governance Institute, ONE, Open Contracting Partnership, Open Ownership, Oxfam, Protect, Publish What You Pay UK, RAID UK, Spotlight on Corruption, the Sussex Centre for the Study of Corruption, The Sentry, and Transparency International UK.