

Anti money laundering

What are we trying to do

We want to ensure the legal services market does not assist in the laundering of the proceeds of crime

Who needs to know

Everyone working in a firm we authorise and regulate

What's going on

Money laundering is not a victimless crime - it helps fund terrorism and those involved in drug trafficking and people smuggling.

The credibility of law firms make them an obvious target for criminals. The overwhelming majority of solicitors want to do the right thing. Yet that alone is not enough. Weak processes or undertrained staff can leave the door open for criminals.

Our **#staySHARP** campaign is all about raising awareness of the threat money laundering poses to the legal sector.

That means staying SHARP – solicitors **SH**ould **A**ssess, **R**eport, **P**rotect.

- **Assess:** firms need to assess their risk – that means having an adequate firm-wide money laundering risk assessment
- **Report:** if a solicitor suspects a client or transaction might be using the proceeds of crime, they must report this to the National Crime Agency by submitting a Suspicious Activity Report (SAR)
- **Protect:** make sure all your staff understand the risk money laundering poses, are familiar with your risk assessment, and are actively working to keep your business safe.

We have published resources to help firms make sure they are doing all the right things to #staySHARP, keeping themselves and the public safe.

Covid-19 and preventing Money Laundering

The Legal Services Affinity Group, of which the SRA is a member and includes regulators across the UK, has drawn up more detailed guidance [[link/0c4b835d7c0e43739663af10accdca17.aspx](#)] on dealing with anti-money laundering compliance during the coronavirus pandemic.

Open all [#]

Resources

We have produced summary guidance on the Government's fifth Anti-money Laundering Directive (PDF 38 pages, 895KB) [[link/b1cdba92750548b0bf3517d879054f2a.aspx?version=48dd5d](#)].

We have produced guidance [[link/02dd41ec74b8455da68dbe126ab6c0f0.aspx](#)] on the Government's Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 [<https://www.legislation.gov.uk/uksi/2017/692/introduction/made>], and specific guidance, checklists and a suggested template [[link/d6bef84f776a4b4e83fb75f8f701150f.aspx](#)] on firm risk assessments.

We have developed a risk assessment [\[link/7b74c0dc35da4cc3b16a88fe2b03d2cc.aspx\]](#) for the legal sector.

We have issued four warning notices on money laundering, reminding everyone in the profession of their obligations.

- Warning notice: Compliance with the money laundering regulations – firm risk assessment [\[link/e425b1b235944a8b9f3d3778bd827d99.aspx\]](#)
- Warning notice: Improper use of client account as a banking facility [\[link/de647d3db490433982a299441957e284.aspx\]](#)
- Warning notice: Money laundering and terrorist financing [\[link/dea5ddbd5cfe46819e9636723e2cc1f1.aspx\]](#)
- Warning notice: Money laundering and terrorist financing - suspicious activity reports [\[link/eacabba456d443b98c94b5c8ecb42c38.aspx\]](#)

We have also carried out a number of recent reviews into how firms are doing including:

- a review of whether firms are complying [\[link/3ac0641eda494dc18639af7e60e71a55.aspx\]](#) with anti-money laundering regulations by having an appropriate firm risk assessment in place
- a thematic review of law firms [\[link/63be1524a774499fb86e79a660793386.aspx\]](#) providing trust and company services to see if they are doing enough to prevent money laundering.
- A 2018 thematic review of how firms are operating [\[link/d2e2a1264d094353996dbc7ab1582ef8.aspx\]](#) in light of the new Government regulations, identifying good and poor practices.

SRA Money Laundering page [\[link/265a399ff0d84db9b4a8d7e8dae919cb.aspx\]](#)

Anti-Money Laundering: Approved legal sector guidance (PDF 156 pages, 1.4MB) [\[link/0984bb412aae43beb1176b165f315b28.aspx\]](#)

What have we said

SRA Updates [\[link/0548ff40f3f64c929eb836dc90bd1586.aspx\]](#)

Compliance News [\[solicitors/colp-cofa/resources/compliance-news\]](#)

Compliance Officer Conference – keeping your firm safe [\[https://youtu.be/NapmJLCVZ74\]](https://youtu.be/NapmJLCVZ74)

Tackling money laundering – Legalex presentation [\[https://www.youtube.com/watch?v=yzj4KxEtGs\]](https://www.youtube.com/watch?v=yzj4KxEtGs)