

# Newsletter

## FCA's appraises its approach in 2021

The Financial Conduct Authority (FCA) has highlighted how its 2021 activities have contributed to its overall strategy. The FCA's 'use it or lose it' approach resulted in 176 firms losing their approval on account of having not undertaken any recent regulatory activity. Following the FCA's recent online campaign, Google now requires financial advertisers to be authorised by the FCA. The recent £264m fine against NatWest was the FCA's first ever criminal prosecution for anti-money laundering (AML) failures, to protect the integrity of the UK financial system. Fines were also levied on Credit Suisse and HSBC. The FCA has stated that their standards will be applied robustly when authorising firms and they will be taking a firm stance on environmental social and governance (ESG). The Chief Executive of the FCA, Nikhil Rathi, has said that the FCA is looking forward to achieve even more for consumers and the financial market in 2022.

Find out more:  
[FCA Appraisal](#)

## HMRC fraud squad reclaims £1 billion

The Fraud Investigation Service (FIS), formed by both HMRC's criminal and civil investigators, has recovered over £1 billion from tax criminals by proactively using their enforcement powers. HMRC's Director of the FIS, Simon York, states that the £1 billion landmark is indicative of the FIS's hard work, as well as highlighting how this money is being put towards public services. HMRC can also obtain account freezing orders on suspected criminal money as well as confiscation orders for tax fraudsters after conviction. In the financial year from 2020 to 2021, HMRC issued 151 account freezing orders, on more than £26 million. The 2017 corporate criminal offences of failure to prevent tax evasion facilitation alongside the newly created Financial Institution Notice (FIN) provide HMRC with significant powers to pursue the financial enablers of tax crimes.

Find out more:  
[HMRC Press Release](#)

## UBS unable to overturn guilty verdict

UBS AG's guilty verdict of having assisted tax evaders has been upheld by a Paris appeal court. The court significantly reduced the penalty to €3.75 million down from the original €3.7 billion issued in 2019. UBS AG was found to have unlawfully solicited and aggravated the laundering of the proceeds of tax fraud from their cross-border business activities in France from 2004 to 2012. The court has also ordered for the confiscation of €1 billion as well as awarding €800 million civil damages to the French state.

Find out more:  
[UBS Update](#)

## EBA warns on AML and CTF risk management

The European Banking Authority (EBA) has published a report, warning against de-risking in the EU, especially when it can be indicative of ineffective anti-money laundering (AML) and counter terrorist financing (TF) risk management.

The EBA has found that de-risking, not only excludes legitimate customers but it can also have a detrimental impact in effectively fighting financial crime as well as in promoting competition and stability. The EBA's guidance when applied correctly, should assist in averting unwarranted de-risking. However, the EBA has suggested additional measures including advising authorities to more actively engage with institutions likely to de-risk and with those liable to be affected by it, to raise awareness.

Find out more:  
[EBA Report](#)