

Sir William Cash MP  
Chair, The European Scrutiny Committee  
House of Commons  
14 Tothill Street  
London  
SW1H 9NB

19 November 2018

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**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences and repealing Council Decision 2000/642/JHA**

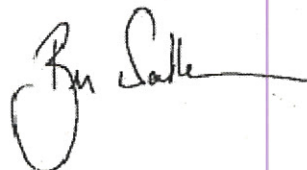
I am writing to update your Committee on the progress of negotiations on this measure.

As you will be aware from my letter of 20 September, the Government has decided to opt in to this measure. The Government strongly supports the intention behind the Directive of improving the sharing of financial information, including bank account details, and financial analysis, to support law enforcement investigations and prosecutions.

While we, along with all other Member States, had some concerns with the original draft of the text, particularly regarding the proposed mandatory sharing of information by financial intelligence units, which the UK believed contravened the Fourth Money Laundering Directive, and the timeframes for sharing information, which the UK believed was contrary to existing international standards, these issues have now been negotiated out of the text. The mandatory requirement for the Financial Intelligence Units (FIU) to share information and analysis has been removed from all sections of the text where such a requirement occurred. Any such sharing is now a matter for the FIU.

The Austrian Presidency has recently indicated that it wishes to seek a General Approach at the next COREPER on 21 November. Given the changes that the UK has succeeded in making, I believe that the text is sufficiently acceptable for the UK to support the General Approach. I would be grateful for your Committee to clear this measure, or provide a waiver, so that the UK can vote in favour of the measure at this meeting. In the absence of clearance or a waiver, the UK will abstain from the vote.

I am copying this letter to Lord Boswell, Chair of the Lords European Union Committee; Chris Johnson, Clerk to the Lords Committee; Lynn Gardner, Clerk to your Committee; Les Saunders, Department for Exiting the European Union; and Alex Bernal, Departmental Scrutiny Coordinator.

A handwritten signature in black ink, appearing to read 'Ben Wallace', with a large circular flourish on the left side.

**Rt. Hon BEN WALLACE MP**  
**MINISTER FOR SECURITY AND ECONOMIC CRIME**