

National Crime Agency launches new Unexplained Wealth Order

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The National Crime Agency has applied for an Unexplained Wealth Order against a Northern Irish woman to reveal the source of funds used to fund property purchases across the United Kingdom.

The **National Crime Agency** (NCA) has applied to the High Court of England and Wales to lodge an Unexplained Wealth Order (UWO) against properties owned by an unnamed woman in both London and Northern Ireland.

The court was told the woman had suspected links to alleged paramilitary criminals, linked to the smuggling trade, and was asked to explain how she purchased six properties worth GBP 3.2 million, in what is only the fourth order of its kind.

The announcement marked the second time in less than two weeks that an UWO was used as part of an ongoing investigation. Other orders were made in July against a businessman with suspected links to gangs involved in armed robberies and drug trafficking in relation to a GBP 10 million-pound property empire, while other UWOs have been made regarding residential properties in London exceeding GBP 80 million held by offshore entities.

The first UWO was made against Azerbaijani banker Jahangir Hajiyev and his wife Zamira Hajiyeva in February 2018.

The UWO ensures property – be it a bank account or a building -- cannot be sold, transferred or dissipated while NCA investigations continue. The controversial order was discussed at *CDR's* inaugural [Summer Business Crime Symposium](#), with **David Corker** of **Corker Binning**, prominent in [discussions over the use of such mechanisms](#).

Andy Lewis, head of asset denial at the NCA, told the *BBC* in prepared remarks that “our investigations are complex and involve careful consideration before we make an application before the court”.

Lewis added in a statement: “We do not investigate illicit finance based on monetary value alone. This latest order shows that we will act against those who we believe are causing the most harm to our communities.”

MARKET REACTION

Michael Potts, a senior partner at **Byrne and Partners** said in a statement that it would be “more testing to prove an actual link to organised crime” than relying on a foreign officials, and politicians, being accused of corruption, the so-called politically exposed persons.

“Although the NCA is likely to focus on a lack of otherwise legitimate income of the respondent, he or she may be able to point to sources of such income resulting in the NCA potentially being put on the back foot to explain why the respondent is linked to organised crime.”

Rahman Ravelli’s legal director **Syedur Rahman** suggested in a statement that this was “another warning shot to those engaged in acquiring assets through criminal conduct”.

He added: “Despite UWOs being available to the authorities for over a year, until recently we had yet to see them being utilised on a regular basis. But with three issued since late May it seems like the proverbial floodgates appear to be opening.”

He called the targeting of organised criminals “unsurprising” and explained that with “no need for a conviction or even for charges to have been brought... a UWO is a very attractive option to the NCA and other enforcement agencies”.

Speaking with *CDR*, **Ian Hargreaves**, a partner at **Covington & Burling**'s says: “For many years the UK has been criticised for allowing too much ‘dirty’ money to pass through its financial systems, reside in expensive residential/commercial properties and be invested through the UK markets.”

“UWOs may act as a warning to criminals that it has become more difficult to launder, convert and ultimately hide assets in the UK. Consequently, the real benefit of UWOs is likely to be the deterrence effect,” he notes.

“However, the authorities need to be wary of proceeds of crime simply finding a new home in another jurisdiction or via a different route in the United Kingdom,” Hargreaves concludes.