

PROCEEDS OF CRIME ACT 2002

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2: Confiscation: England and Wales

Schedule 2: Lifestyle offences: England and Wales

153. *Schedule 2* should be read in conjunction with *sections 6* and *75*. It lists offences which are always criminal lifestyle offences. An offender convicted of one instance of any of these offences has a criminal lifestyle under the Act.
154. The first group of offences listed are drug trafficking offences. Under the earlier drug confiscation legislation, drug trafficking offences are criminal lifestyle offences (although the term itself is not used in the earlier legislation). Under the Drug Trafficking Act 1994, appearance in the Crown Court for sentence following a conviction of any listed drug trafficking offence can trigger an examination of all the defendant's past drug trafficking and the mandatory application of the assumptions.
155. The drug trafficking offences listed in *paragraph 1* are slightly different from those listed in section 1 of the Drug Trafficking Act 1994. Firstly, the offence of allowing premises to be used for drug related activities (section 8 of the Misuse of Drugs Act 1971) is regarded as having the characteristics of a criminal lifestyle offence and so has been added to the list. Secondly, drug money laundering offences have been removed from the list, because the Act abolishes the separate drug money laundering offences found in the earlier proceeds of crime legislation. It replaces them with a single set of money laundering offences applicable to the proceeds of all criminal conduct.
156. Some of these new money laundering offences have also been listed in Schedule 2 – see *paragraph 2*. Other criminal lifestyle offences listed in *Schedule 2* also address areas of criminal conduct associated with professional criminals, organised crime and racketeering (for example, counterfeiting, intellectual property offences) and which in some cases are also of major public concern (for example, arms trafficking, trafficking for the purposes of sexual exploitation).