

*These notes refer to the Scotland Act 1998 (c.46)  
which received Royal Assent on 19th November 1998*

# SCOTLAND ACT 1998

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## EXPLANATORY NOTES

### SCHEDULES

#### [Schedule 5](#)

#### **Part II: Preliminary paragraphs**

#### **Head A: Financial and Economic Matters**

#### *Section A5: Money Laundering*

#### **Purpose and Effect**

This Section reserves the regulation of financial and other businesses so as to require systems to be in place to prevent money laundering. It does not, however, reserve the criminal law as it relates to money laundering, competence in respect of which is, with certain exceptions, devolved as part of the general devolution of the criminal law.

#### **Details of Provisions**

The subject-matter of the Money Laundering Regulations 1993 ([S.I. 1993/1933](#)) is reserved. Those Regulations provide a scheme of rules to regulate certain financial businesses so as to prevent money laundering. The reservation is not however limited to financial businesses.

The Scottish Parliament is able to legislate on the criminal law generally, including the criminal law relating to money laundering. The only exception to this concerns statutory offences involving money laundering the proceeds of drug trafficking which is reserved by Section B1 (Misuse of Drugs).