



House of Commons

Tuesday 6 December 2016

PUBLIC BILL COMMITTEE

New Amendments handed in are marked thus ★

☆ *Amendments which will comply with the required notice period at their next appearance*

COMMONWEALTH DEVELOPMENT CORPORATION BILL

NOTE

This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in the order in which they relate to the Bill.

RESOLUTION OF THE PROGRAMMING SUB-COMMITTEE

The Programming Sub-Committee appointed by the Speaker in respect of the Bill agreed the following Resolution at its meeting on Monday 5 December (Standing Order No. 83C):

That—

- (1) the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 6 December) meet—
 - (a) at 2.00 pm on Tuesday 6 December;
 - (b) at 11.30 am on Thursday 8 December;
- (2) the Committee shall hear oral evidence in accordance with the following Table:

TABLE

<i>Date</i>	<i>Time</i>	<i>Witness</i>
Tuesday 6 December	Until no later than 10.30 am	Department for International Development; CDC Group plc
Tuesday 6 December	Until no later than 11.25 am	National Audit Office; War on Want; Oxfam; Sir Paul Collier, Blavatnick School of Government, University of Oxford

Commonwealth Development Corporation Bill, *continued*

- (3) the proceedings shall (so far as not previously concluded) be brought to a conclusion at 1.00 pm on Thursday 8 December.

Rory Stewart has given notice of his intention to move a motion in the terms of the Resolution of the Programming Sub-Committee [Standing Order No. 83C].

Rory Stewart

To move, That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.

Rory Stewart

To move, That, at this and any subsequent meeting at which oral evidence is to be heard, the Committee shall sit in private until the witnesses are admitted.

Stephen Doughty
Kate Osamor
Imran Hussain

6

Clause 1, page 1, line 4, leave out “£6,000” and insert “£3,000”

James Duddridge

1

Clause 1, page 1, line 4, leave out “£6,000” and insert “£5,999”

Patrick Grady
Philip Boswell

3

Clause 1, page 1, line 4, leave out “£6,000 million” and insert “the amount specified in subsection (1A)”

Member’s explanatory statement

This amendment paves the way for amendment 4.

Patrick Grady
Philip Boswell

4

Clause 1, page 1, line 4, at end insert—

“(1A) After subsection (1), insert—

“(1A) The amount specified in this subsection is whichever is the lesser of the following amounts—

(i) £6,000 million,

(ii) the amount determined in accordance with subsection (1B).

Commonwealth Development Corporation Bill, *continued*

- (1B) The Secretary of State shall determine the amount for the purposes of this subsection by estimating the amount which will constitute 5% of official development assistance in the relevant period determined in accordance with subsection (1C).
- (1C) That period begins with the financial year in which the Secretary of State considers that the Crown's assistance to the Corporation (determined in accordance with subsection (2)) will exceed £1,500 million and ends at the end of the fourth subsequent financial year.
- (1D) For the purposes of this section, "official development assistance" has the same meaning as in the most recent annual report laid before each House of Parliament in accordance with the provisions of section 1 of the International Development (Reporting and Transparency) Act 2006."

Member's explanatory statement

This amendment, together with amendment 3, would replace the proposed limit on government assistance under section 15 with a new amount, expressed as either £6 billion or 5% of forecast official development assistance over a five year period, whichever is the lesser amount.

Stephen Doughty
Kate Osamor
Imran Hussain

7

Clause 1, page 1, line 5, leave out subsection (3)

Member's explanatory statement

This amendment removes the power of the Secretary of State to set a limit on government assistance above £6 billion up to £12 billion by means of secondary legislation.

James Duddridge

2

Clause 1, page 1, line 7, leave out "£12,000" and insert "£11,999"

Patrick Grady
Philip Boswell

5

Clause 1, page 1, line 7, leave out "£12,000 million" and insert "the amount specified in subsection (4A).

- (4A) The amount specified in this subsection is whichever is the lesser of the following amounts—
- (i) £12,000 million,
 - (ii) the current limit at the time plus the amount determined in accordance with subsection (4B).
- (4B) The Secretary of State shall determine the amount for the purposes of this subsection by estimating the amount which will constitute 5% of official development assistance in the relevant period determined in accordance with subsection (4C).
- (4C) That period begins with the financial year in which the Secretary of State considers that the Crown's assistance to the Corporation (determined in accordance with subsection (2)) will exceed the current limit at the time and ends at the end of the fourth subsequent financial year.
- (4D) For the purposes of this section—
- “the current limit at the time” means—
- (a) prior to the making of any regulations under subsection (4), £6,000 million,

Commonwealth Development Corporation Bill, *continued*

- (b) thereafter, the limit set in regulations made under subsection (4) then in force;

“official development assistance” has the same meaning as in the most recent annual report laid before each House of Parliament in accordance with the provisions of section 1 of the International Development (Reporting and Transparency) Act 2006.”

Member’s explanatory statement

This amendment would set a new limit on the power to make regulations to increase the limit on government assistance under section 15, expressed as either £12 billion or the current limit at the time plus 5% of official development assistance over a five year period, whichever is the lesser amount.

NEW CLAUSES

Patrick Grady
Philip Boswell

NC1

To move the following Clause—

“Condition for exercise of power to increase limit: poverty reduction

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: poverty reduction

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he has also laid before the House of Commons a review in accordance with subsection (2).
- (2) A review under this subsection must provide the Secretary of State’s assessment of the extent to which the increase in the limit on the Crown’s assistance to the Corporation is likely to contribute to a reduction in poverty.
- (3) In this section, “reduction in poverty” shall have the same meaning as in section 1(1) of the International Development Act 2002.””

Member’s explanatory statement

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be preceded by a review, also to be laid before the House of Commons, of the extent to which the increase in the limit will contribute to a reduction in poverty, the aim of development assistance.

Commonwealth Development Corporation Bill, *continued*

Patrick Grady
Philip Boswell

NC2

To move the following Clause—

“Condition for exercise of power to increase limit: Sustainable Development Goals

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: Sustainable Development Goals

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he has also laid before the House of Commons a review in accordance with subsection (2).
- (2) A review under this subsection must provide the Secretary of State’s assessment of the extent to which the increase in the limit on the Crown’s assistance to the Corporation is likely to contribute to achievement of the Sustainable Development Goals.
- (3) In this section, “the Sustainable Development Goals” means the Goals adopted at the United Nations on 25 September 2015.””

Member’s explanatory statement

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be preceded by a review, also to be laid before the House of Commons, of the extent to which the increase in the limit will contribute to achievement of the Sustainable Development Goals.

Stephen Doughty
Kate Osamor
Imran Hussain

NC3

To move the following Clause—

“Condition for exercise of power to increase limit: prior bilateral programme

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: prior bilateral programme

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.
- (2) That condition is that any new investment in a country enabled by the proposed increase in the current limit at the time is in a country to which the Secretary of State provides assistance through a bilateral programme at the time.

Commonwealth Development Corporation Bill, *continued*

(3) In this section—

“country” has the same meaning as in section 17 of the International Development Act 2002;

“the current limit at the time” means—

- (a) prior to the making of any regulations under section 15(4), £6,000 million,
- (b) thereafter, the limit set in regulations made under section 15(4) then in force;

“assistance” has the same meaning as in section 5 of the International Development Act 2002.””

Member’s explanatory statement

This new clause would limit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) to countries where the United Kingdom maintains a bilateral programme at the time.

Stephen Doughty
Kate Osamor
Imran Hussain

NC4

To move the following Clause—

“Condition for exercise of power to increase limit: limitation to eligible countries

- (1) After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: limitation to eligible countries

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.
 - (2) That condition is that any new investment enabled by the proposed increase in the current limit at the time is in a country in Schedule 2A (Eligible countries).
 - (3) In this section “the current limit at the time” means—
 - (a) prior to the making of any regulations under section 15(4), £6,000 million,
 - (b) thereafter, the limit set in regulations made under section 15(4) then in force.”
- (2) After Schedule 2 of the Commonwealth Development Corporation Act 1999 (Modification of Companies Act 1985 &c), insert—

Commonwealth Development Corporation Bill, *continued*

“SCHEDULE 2A

ELIGIBLE COUNTRIES

Afghanistan
Angola
Bangladesh
Benin
Burkina Faso
Burundi
Cameroon
Central African Republic
Chad
Congo (Democratic Republic of)
Congo (Republic of)
Côte d’Ivoire
Equatorial Guinea
Eritrea
Ethiopia
Gabon
Gambia, The
Ghana
Guinea
Guinea-Bissau
Kenya
Lesotho
Liberia
Madagascar
Malawi
Mali
Mozambique
Myanmar
Nepal
Niger
Nigeria
Pakistan
Rwanda
Senegal
Sierra Leone

Commonwealth Development Corporation Bill, *continued*

Somalia
 South Sudan
 Sudan
 Swaziland
 Tanzania
 Togo
 Uganda
 Zambia
 Zimbabwe.”

Member’s explanatory statement

This new clause would limit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) to certain eligible countries.

Stephen Doughty
 Kate Osamor
 Imran Hussain

NC5

To move the following Clause—

“Condition for exercise of power to increase limit: LDCs and LICs

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: LDCs and LICs

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.
- (2) That condition is that any new investment in a country enabled by the proposed increase in the current limit at the time is in a country which is classified as either—
 - (a) one of the least developed countries, or
 - (b) one of the other low income countries.
- (3) In determining the classification of a country for the purposes of subsection (2), the Secretary of State shall use the latest analytical classification of the world’s economies prepared by the World Bank.
- (4) In this section, “the current limit at the time” means—
 - (a) prior to the making of any regulations under section 15(4), £6,000 million,

Commonwealth Development Corporation Bill, *continued*

- (b) thereafter, the limit set in regulations made under section 15(4) then in force.””

Member’s explanatory statement

This new clause would limit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) to the least developed countries and other low income countries.

Stephen Doughty
Kate Osamor
Imran Hussain

NC6

To move the following Clause—

“Condition for exercise of power to increase limit: prohibition on use of tax havens

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: prohibition on use of tax havens

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.
- (2) That condition is that any new investment enabled by the proposed increase in the current limit at the time is not in either—
 - (a) an investment entity, or
 - (b) a company
 which uses, or seems to the Secretary of State likely to use, tax havens.
- (3) In determining whether the condition in subsection (2) is met, the Secretary of State shall consider—
 - (a) information provided by the OECD on countries or territories which are considered to be tax havens, and
 - (b) such information as is available to the Secretary of State, whether supplied by the CDC or others, about the current location of funds of the potentially relevant entities for the purposes of subsection (2).
- (4) In this section, “the current limit at the time” means—
 - (a) prior to the making of any regulations under section 15(4), £6,000 million,

Commonwealth Development Corporation Bill, *continued*

- (b) thereafter, the limit set in regulations made under section 15(4) then in force.””

Member’s explanatory statement

This new clause would prohibit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) from going to an investment vehicle or company which uses or seems likely to use tax havens.

Stephen Doughty
Kate Osamor
Imran Hussain

NC7

To move the following Clause—

“Condition for exercise of power to increase limit: prohibition on investment in certain sectors

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: prohibition on investment in certain sectors

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.
- (2) That condition is that any new investment enabled by the proposed increase in the current limit at the time is not in any of the following sectors—
 - (a) the for profit education sector,
 - (b) the for profit health sector,
 - (c) the real estate sector,
 - (d) mineral extraction.
- (3) In this section, “the current limit at the time” means—
 - (a) prior to the making of any regulations under section 15(4), £6,000 million,
 - (b) thereafter, the limit set in regulations made under section 15(4) then in force.””

Member’s explanatory statement

This new clause would prohibit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) from being in the for profit education sector, the for profit health sector, real estate or mineral extraction.

Commonwealth Development Corporation Bill, *continued*

Stephen Doughty
Kate Osamor
Imran Hussain

NC8

To move the following Clause—

“Condition for exercise of power to increase limit: adherence to DFID partnership principles

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: adherence to DFID partnership principles

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.
- (2) That condition is that any new investment enabled by the proposed increase in the current limit at the time will be an entity which has agreed to adhere to the DFID partnership principles.
- (3) In this section—
 - “the current limit at the time” means—
 - (a) prior to the making of any regulations under section 15(4), £6,000 million,
 - (b) thereafter, the limit set in regulations made under section 15(4) then in force;
 - “the DFID partnership principles” means—
 - (a) the principles set out in the DFID guidance note of March 2014 entitled “the Partnership Principles”, or
 - (b) any DFID guidance note of the same title issued with the approval of the Secretary of State.”

Member’s explanatory statement

This new clause would require any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) to go only to entities which agree to adhere to the DFID partnership principles.

Commonwealth Development Corporation Bill, *continued*

Stephen Doughty
Kate Osamor
Imran Hussain

NC9

To move the following Clause—

“Condition for exercise of power to increase limit: report and business case

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: report and business case

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he has also laid before the House of Commons the documents specified in subsections (2) and (3).
- (2) The document specified in this subsection is a report submitted by the CDC to the Secretary of State giving an account, in respect of the most recently completed financial year, of—
 - (a) the investment activities of the CDC by country and sector, and
 - (b) the remuneration of staff, including anonymised information on individuals receiving a salary during the financial year in question in excess of £150,000.
- (3) The document specified in this subsection is a business case for the proposed use of the new investment enabled by the proposed increase in the current limit at the time which includes information on—
 - (a) the expected market demand,
 - (b) the proposed sectors,
 - (c) the proposed locations, and
 - (d) the prospective development returns.
- (4) In this section, “the current limit at the time” means—
 - (a) prior to the making of any regulations under section 15(4), £6,000 million,
 - (b) thereafter, the limit set in regulations made under section 15(4) then in force.””

Member’s explanatory statement

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be preceded by the laying before the House of Commons of an annual report for the preceding financial year giving information on investment activities and remuneration and a detailed business case for the proposed additional investment.

Commonwealth Development Corporation Bill, *continued*

Stephen Doughty
Kate Osamor
Imran Hussain

NC10

To move the following Clause—

“Condition for exercise of power to increase limit: assessment of contribution to Sustainable Development Goals

After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: assessment of contribution to Sustainable Development Goals

- (1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he has also laid before the House of Commons the documents specified in subsection (2).
- (2) The document specified in this subsection is a report containing an assessment by—
 - (a) CDC, and
 - (b) the Secretary of State
 of the extent to which the proposed use of the new investment enabled by the proposed increase in the current limit at the time will contribute to progress in relation to the Sustainable Development Goals.

- (3) In this section—

“the current limit at the time” means—

- (a) prior to the making of any regulations under section 15(4), £6,000 million,
- (b) thereafter, the limit set in regulations made under section 15(4) then in force;

“the Sustainable Development Goals” means the Goals adopted at the United Nations on 25 September 2015.””

Member’s explanatory statement

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be preceded by the laying before the House of Commons of assessments by both CDC itself and the Secretary of State of the extent to which additional investment will contribute towards progress towards the Sustainable Development Goals.

ORDER OF THE HOUSE [29 NOVEMBER 2016]

That the following provisions shall apply to the Commonwealth Development Corporation Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 8 December 2016.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Commonwealth Development Corporation Bill, *continued**Proceedings on Consideration and up to and including Third Reading*

4. Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on Consideration.
5. Any proceedings in legislative grand committee and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion four hours after the commencement of proceedings on Consideration.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.
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