



# House of Commons

Thursday 1 March 2018

## PUBLIC BILL COMMITTEE PROCEEDINGS

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### SANCTIONS AND ANTI-MONEY LAUNDERING BILL [LORDS]

[THIRD AND FOURTH SITTINGS]

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#### GLOSSARY

*This document shows the fate of each clause, schedule, amendment and new clause.*

*The following terms are used:*

*Agreed to:* agreed without a vote.

*Agreed to on division:* agreed following a vote.

*Negated:* rejected without a vote.

*Negated on division:* rejected following a vote.

*Not called:* debated in a group of amendments, but not put to a decision.

*Not moved:* not debated or put to a decision.

*Question proposed:* debate underway but not concluded.

*Withdrawn after debate:* moved and debated but then withdrawn, so not put to a decision.

*Not selected:* not chosen for debate by the Chair.

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Helen Goodman  
Anneliese Dodds

Clause 1, page 2, line 16, at end insert “or  
(i) further accountability for, or act or as a deterrent to, the commission of a gross human rights abuse or violation.” *Negated on division* 1

Helen Goodman

Clause 1, page 2, line 16, at end insert “or  
(i) further the prevention of serious organised crime and trafficking, in the United Kingdom or elsewhere.” *Not called* 13

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**Sanctions and Anti-Money Laundering Bill [Lords], continued**

Helen Goodman

*Withdrawn after debate* 14

Clause 1, page 2, line 21, at end insert—

- “(3A) Regulations under this section must be accompanied by the publication of a written memorandum by the appropriate Minister, and such a memorandum must set out—
- (a) how the relevant sanctions are consistent with the overall foreign policy objectives of the UK government, including any specific regional objectives where appropriate;
  - (b) clear objectives for the relevant sanctions, including well-defined and realistic demands against which compliance can be judged;
  - (c) a coherent overarching diplomatic strategy for achieving the relevant objectives, including steps to actively and systematically communicate with targeted countries or persons on the specific concerns underpinning the sanctions against them;
  - (d) a clear exit strategy, including specific and measurable changes in the behaviour of any target or targets to be required as a precondition of any future suspension or lifting of the relevant sanctions; and
  - (e) specific steps to be taken by Ministers to promote co-operation with, and where possible the adoption of, any autonomous UK sanctions by other countries.”

Helen Goodman  
Anneliese Dodds*Not called* 2

Clause 1, page 2, line 37, at end insert—

- “(6A) In this section, conduct constitutes “the commission of a gross human rights abuse or violation” if each of the following three conditions is met.
- (6B) The first condition is that—
- (a) the conduct constitutes the torture of a person or a group of people who have sought—
    - (i) to expose illegal activity carried out by a public official or a person acting in an official capacity, or
    - (ii) to obtain, exercise, defend or promote human rights and fundamental freedoms, or
  - (b) the conduct otherwise involves the cruel, inhuman or degrading treatment or punishment of such a person or a group of people.
- (6C) The second condition is that the conduct is carried out in consequence of that person having sought to do anything falling within subsection (6B) (a) (i) or (ii).
- (6D) The third condition is that the conduct is carried out—
- (a) by a public official, or a person acting in an official capacity, in the performance or purported performance of his or her official duties, or
  - (b) by a person not falling within paragraph (a) at the instigation or with the consent or acquiescence—
    - (i) of a public official, or
    - (ii) of a person acting in an official capacity, who in instigating the conduct, or in consenting to or acquiescing in it, is acting in the performance or purported performance of his or her official duties.
- (6E) Conduct that involves the intentional infliction of severe pain or suffering on another person or a group of people is conduct that constitutes torture for the purposes of subsection (6B) (a).

**Sanctions and Anti-Money Laundering Bill [Lords], continued**

- (6F) Conduct is connected with the commission of a gross human rights abuse or violation if it is conduct by a person that involves—
- (a) acting as an agent for another in connection with activities relating to conduct constituting the commission of a gross human rights abuse or violation,
  - (b) directing, or sponsoring, such activities,
  - (c) profiting from such activities, or
  - (d) materially assisting such activities.
- (6G) The cases in which a person materially assists activities for the purposes of subsection (6F) (d) include those where the person—
- (a) provides goods or services in support of the carrying out of the activities, or
  - (b) otherwise provides any financial or technological support in connection with their carrying out.”

Sir Alan Duncan

*Agreed to* 3

Clause 1, page 3, line 2, leave out “(d)” and insert “(h)”

*Clause, as amended, agreed to.*

*Clause 19 agreed to.*

*Clause 20 agreed to.*

Helen Goodman

*Negated on division* 32

Clause 21, page 18, line 34, leave out “3 years” and insert “12 months”

Helen Goodman

*Not called* 33

Clause 21, page 18, line 36, leave out “3 years” and insert “12 months”

*Clause agreed to.*

*Clauses 22 to 24 agreed to.*

Helen Goodman

*Not called* 34

Clause 25, page 20, line 14, leave out “3 years” and insert “12 months”

Helen Goodman

*Not called* 35

Clause 25, page 20, line 16, leave out “3 years” and insert “12 months”

*Clause agreed to.*

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**Sanctions and Anti-Money Laundering Bill [Lords], continued**

*Clause 26 agreed to.*

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Helen Goodman

*Negatived on division 24*

Clause 27, page 20, line 39, leave out “the purpose stated in them under section 1(3)” and insert—

- “(a) the purpose stated in them under section 1(3);
- (b) the humanitarian impact;
- (c) any British citizen, a British Overseas Territories citizen or British overseas citizen who is not the intended target of sanctions issued under this Act but who is directly or indirectly impacted by the imposition of such sanctions”.

Helen Goodman

*Not called 25*

Clause 27, page 20, line 40, at end insert—

“(2A) The review of the humanitarian impact under subsection (2)(b) must be conducted according to the methodology set out in Chapter 5 of the UN InterAgency Standing Committee’s Sanctions Assessment Handbook: Assessing the Humanitarian Implications of Sanctions, published in 2004.”

Sir Alan Duncan

*Agreed to 5*

Clause 27, page 21, line 5, leave out “(d)” and insert “(h)”

Helen Goodman

*Withdrawn after debate 26*

Clause 27, page 21, line 8, at end insert—

- “(d) the steps taken to promote the adoption of sanctions on a multilateral basis;
- (e) a summary of any representations made in relation to the exercise or proposed exercise of the powers and the response of the appropriate Minister to the same;
- (f) a review from the Independent Reviewer, appointed pursuant to section 20 of the Terrorism Prevention and Investigation Measures Act 2011 (‘the 2011 Act’), of the operation of this Act in the reports by the Independent Reviewer produced pursuant to the 2011 Act.”

Helen Goodman

*Negatived on division 36*

Clause 27, page 21, line 17, at end insert—

“(5A) The Appropriate Minister who made the regulations must in each quarterly period lay before Parliament a report for each sanctions regime and regulation containing—

- (a) the aggregate value of funds and other assets frozen;
- (b) the number of suspected breaches and the aggregate value of such breaches; and
- (c) actions taken on suspected breaches.”

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**Sanctions and Anti-Money Laundering Bill [Lords], continued**

*Clause, as amended, agreed to.*

*Clauses 28 to 36 agreed to.*

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Helen Goodman

*Withdrawn after debate* 28

Clause 37, page 29, line 39, at end insert—

- “(d) reporting obligations;
  - (e) licensing requirement provisions.
- (3) Where civilian payments and humanitarian activity are exempt from any prohibitions and requirements imposed by the regulations, the appropriate Minister must issue guidance.
- (4) The guidance under subsection (3) must include—
- (a) best practice for complying with the processing of civilian and humanitarian activities to reduce the risk of funds benefiting designated individuals, entities or organisations;
  - (b) mechanisms to limit the impact of prohibitions and requirements on a permissible civilian and humanitarian activity;
  - (c) circumstances where the prohibitions and requirements may be relevant in the context of the otherwise permissible delivery of a humanitarian activity; and
  - (d) options setting out effective banking and payment corridors for the processing of payments in support of a civilian and humanitarian activity which is not subject to any prohibitions or requirements.”

Helen Goodman

*Not called* 27

Clause 37, page 29, line 39, at end insert—

- “(3) Where regulations under section 1 make provision as to the meaning of any reference in the regulations to a person “owned” or “controlled” by another person pursuant to section 50(3), the appropriate Minister must issue guidance.”

*Clause agreed to.*

*Clause 38 agreed to.*

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Sir Alan Duncan

*Agreed to* 6

Clause 39, page 30, line 24, leave out “(d)” and insert “(h)”

*Clause, as amended, agreed to.*

*Clauses 40 to 42 agreed to.*

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**Sanctions and Anti-Money Laundering Bill [Lords], continued**

Anneliese Dodds  
Helen Goodman

*Negatived on division* 38

Clause 43, page 33, line 12, at end insert—

“(1A) Provision made under subsection (1)(a) may in particular include provision for enabling or facilitating the detection or investigation of money laundering, or preventing money laundering, through limited partnerships registered in Scotland.”

Sir Alan Duncan

*Agreed to on division* 7

Clause 43, page 33, line 13, leave out subsection (2)

*Clause, as amended, agreed to.*

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Sir Alan Duncan

*Agreed to* 10

Schedule 2, page 53, line 32, leave out paragraph 15 and insert—

“15 Make provision—

- (a) creating criminal offences for the purposes of the enforcement of requirements imposed by or under regulations under section 43, and
  - (b) dealing with matters relating to any offences created for such purposes by regulations under section 43,
- but see paragraphs 18 and 19.”

Sir Alan Duncan

*Agreed to* 11

Schedule 2, page 54, line 11, at end insert—

“20A(1) In this paragraph “relevant regulations” means regulations under section 43 which create any offence for the purposes of the enforcement of any requirements imposed by or under regulations under section 43.

- (2) The appropriate Minister making any relevant regulations (“the Minister”) must at the required time lay before Parliament a report which—
  - (a) specifies the offences created by the regulations, indicating the requirements to which those offences relate,
  - (b) states that the Minister considers that there are good reasons for those requirements to be enforceable by criminal proceedings and explains why the Minister is of that opinion, and
  - (c) in the case of any of those offences which are punishable with imprisonment—
    - (i) states the maximum terms of imprisonment that apply to those offences,
    - (ii) states that the Minister considers that there are good reasons for those maximum terms, and
    - (iii) explains why the Minister is of that opinion.
- (3) Sub-paragraph (4) applies where an offence created by the regulations relates to particular requirements and the Minister considers that a good reason—
  - (a) for those requirements to be enforceable by criminal proceedings, or

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**Sanctions and Anti-Money Laundering Bill [Lords], continued**

- (b) for a particular maximum term of imprisonment to apply to that offence,  
is consistency with another enactment relating to the enforcement of similar requirements.
- (4) The report must identify that other enactment.
- (5) In sub-paragraph (3) “another enactment” means any provision of or made under an Act, other than a provision of the regulations to which the report relates.
- (6) In sub-paragraph (2) “the required time” means the same time as the draft of the statutory instrument containing the regulations is laid before Parliament.
- (7) This paragraph applies to regulations which amend other regulations under section 43 so as to create an offence as it applies to regulations which otherwise create an offence.”

Sir Alan Duncan

*Agreed to* 12

Schedule 2, page 54, line 39, at end insert—

- “( ) In paragraph 15 (offences), any reference to regulations under section 43 includes the Money Laundering Regulations 2017.
- ( ) In paragraph 20A (report in respect of offences)—
  - (a) the reference in sub-paragraph (1) to requirements imposed by or under regulations under section 43 includes requirements imposed by or under the Money Laundering Regulations 2017, and
  - (b) the reference in sub-paragraph (7) to other regulations under section 43 includes the Money Laundering Regulations 2017.”

*Schedule, as amended, agreed to.*

[Adjourned until Tuesday 6 March at 9.25 am