



# House of Commons

## NOTICES OF AMENDMENTS

given up to and including

**Wednesday 25 April 2018**

*New Amendments handed in are marked thus ★*

☆ *Amendments which will comply with the required notice period at their next appearance*  
*Amendments tabled since the last publication: 20 to 26 and NC6 to NC17*

### CONSIDERATION OF BILL (REPORT STAGE)

## SANCTIONS AND ANTI-MONEY LAUNDERING BILL [LORDS], AS AMENDED

#### 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**This document includes all amendments tabled to date and includes any withdrawn amendments at the end.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.**

Sir Alan Duncan  
 Helen Goodman  
 Anneliese Dodds

NC3

☆ To move the following Clause—

**“Periodic reports on exercise of power to make regulations under section 1**

- (1) The Secretary of State must as soon as reasonably practicable after the end of each reporting period lay before Parliament a report which—
  - (a) specifies the regulations under section 1, if any, that were made in that reporting period,
  - (b) identifies which, if any, of those regulations—
    - (i) stated a relevant human rights purpose, or
    - (ii) amended or revoked regulations stating such a purpose,

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

- (c) specifies any recommendations which in that reporting period were made by a Parliamentary Committee in connection with a relevant independent review, and
- (d) includes a copy of any response to those recommendations which was made by the government to that Committee in that reporting period.
- (2) Nothing in subsection (1)(d) requires a report under this section to contain anything the disclosure of which may, in the opinion of the Secretary of State, damage national security or international relations.
- (3) For the purposes of this section the following are reporting periods—
  - (a) the period of 12 months beginning with the day on which this Act is passed (“the first reporting period”), and
  - (b) each period of 12 months that ends with an anniversary of the date when the first reporting period ends.
- (4) For the purposes of this section—
  - (a) regulations “state” a purpose if the purpose is stated under section 1(3) in the regulations;
  - (b) a purpose is a “relevant human rights purpose” if, in the opinion of the Secretary of State, carrying out that purpose would provide accountability for or be a deterrent to gross violations of human rights.
- (5) In this section—
  - “the government” means the government of the United Kingdom;
  - “gross violation of human rights” has the meaning given by section 1(6A);
  - a “Parliamentary Committee” means a committee of the House of Commons or a committee of the House of Lords or a joint committee of both Houses;
  - a “relevant independent review”, in relation to a Parliamentary Committee, means a consideration by that Committee of whether the power to make regulations under section 1 should be exercised in connection with a gross violation of human rights.”

**Member’s explanatory statement**

*This new clause requires periodic reports to be made about the use of the power to make sanctions regulations. A report must identify regulations relating to gross human rights violations. It must also specify any recommendations made by a Parliamentary Committee for use of that power in relation to such violations, and include the government’s response.*

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Sir Alan Duncan

NC4

☆ To move the following Clause—

**“Independent review of regulations with counter-terrorism purpose**

- (1) The Secretary of State must appoint a person to review the operation of such asset-freeze provisions of relevant regulations made by the Secretary of State as the Secretary of State may from time to time refer to that person.
- (2) The Treasury must appoint a person to review the operation of such asset-freeze provisions of relevant regulations made by the Treasury as the Treasury may from time to time refer to that person.
- (3) The persons appointed under subsection (1) and (2) may be the same person.
- (4) In each calendar year, by 31 January—

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

- (a) the person appointed under subsection (1) must notify the Secretary of State of what (if any) reviews under that subsection that person intends to carry out in that year, and
  - (b) the person appointed under subsection (2) must notify the Treasury of what (if any) reviews under that subsection that person intends to carry out in that year.
- (5) Reviews of which notice is given under subsection (4) in a particular year—
- (a) may not relate to any provisions that have not been referred before the giving of the notice, and
  - (b) must be completed during that year or as soon as reasonably practicable after the end of it.
- (6) The person who conducts a review under this section must as soon as reasonably practicable after completing the review send a report on its outcome to—
- (a) the Secretary of State, if the review is under subsection (1), or
  - (b) the Treasury, if the review is under subsection (2).
- (7) On receiving a report under this section the Secretary of State or (as the case may be) the Treasury must lay a copy of it before Parliament.
- (8) The Secretary of State may pay the expenses of a person who conducts a review under subsection (1) and also such allowances as the Secretary of State may determine.
- (9) The Treasury may pay the expenses of a person who conducts a review under subsection (2) and also such allowances as the Treasury may determine.
- (10) For the purposes of this section, regulations are “relevant regulations” if—
- (a) they are regulations under section 1, and
  - (b) they state under section 1(3) at least one purpose which—
    - (i) is not compliance with a UN obligation or other international obligation, and
    - (ii) relates to counter-terrorism.
- (11) A purpose “relates to counter-terrorism” if the report under section 2 in respect of the regulations indicated that, in the opinion of the appropriate Minister making them, the carrying out of that purpose would further the prevention of terrorism in the United Kingdom or elsewhere.
- (12) For the purposes of this section a provision of relevant regulations is an “asset-freeze provision” if and to the extent that it—
- (a) imposes a prohibition or requirement for a purpose mentioned in section 3(1)(a), (b) or (d), or
  - (b) makes provision in connection with such a prohibition or requirement.
- (13) If a provision is referred under this section which contains a designation power, any review under this section of the operation of that provision may not include a review of any decisions to designate under that power.”

***Member’s explanatory statement***

*This new clause requires the appointment of an independent reviewer to conduct reviews of sanctions regulations which impose asset-freezes or similar financial sanctions where the regulations are made for purposes relating to the prevention of terrorism and have been referred to the independent reviewer for review.*

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

Sir Alan Duncan

NC5

☆ To move the following Clause—

**“Retained EU rights**

- (1) If and to the extent that anything in the European Union (Withdrawal) Act 2018 would, in the absence of this section, prevent any power within subsection (2) from being exercised so as to modify anything which is retained EU law by virtue of section 4 of that Act (saving for certain rights etc), it does not prevent that power from being so exercised.
- (2) The following powers fall within this subsection—
  - (a) any power conferred by this Act, or by regulations under this Act, on a Minister of the Crown within the meaning of the Ministers of the Crown Act 1975 (however that power is expressed);
  - (b) any power conferred by regulations under Schedule 2 on a supervisory authority.
- (3) In this section “modify” has the same meaning as in the European Union (Withdrawal) Act 2018.”

**Member’s explanatory statement**

*This new clause is consequential on government amendments to the European Union (Withdrawal) Bill, and makes clear that any restrictions in that Bill on the modification of retained EU law do not prevent powers under this Bill (for example, powers to impose an asset-freeze or immigration sanction) from being exercised in cases where their exercise will interfere with a retained right that a person would otherwise have under clause 4 of the European Union (Withdrawal) Bill.*

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Sir Alan Duncan

NC15

★ To move the following Clause—

**“Enforcement: goods etc on ships**

- (1) The provision that may be made by virtue of section 17(2) (enforcement of prohibitions or requirements) includes provision as to the powers and duties of prescribed persons in relation to—
  - (a) British ships in foreign waters or international waters,
  - (b) ships without nationality in international waters, and
  - (c) foreign ships in international waters.
- (2) Regulations may make provision by virtue of this section only for the purpose of enforcing relevant prohibitions or requirements.
- (3) A prohibition or requirement is a “relevant prohibition or requirement” for the purposes of this section if it is—
  - (a) a prohibition or requirement specified by the regulations which is imposed by regulations for a purpose mentioned in any of paragraphs 2 to 7, 15(a), (b) or (c) or 16(a) of Schedule 1, or
  - (b) a prohibition or requirement imposed by a condition of a licence or direction issued by virtue of section 15 in relation to a prohibition or requirement mentioned in paragraph (a).
- (4) The powers that may be conferred by virtue of this section include powers to—
  - (a) stop a ship;
  - (b) board a ship;

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

- (c) require any person found on a ship boarded by virtue of this section to provide information or produce documents;
  - (d) inspect and copy such documents or information;
  - (e) stop any person found on such a ship and search that person for—
    - (i) prohibited goods, or
    - (ii) any thing that might be used to cause physical injury or damage to property or to endanger the safety of any ship;
  - (f) search a ship boarded by virtue of this section, or any thing found on such a ship (including cargo), for prohibited goods;
  - (g) seize goods found on a ship, in any thing found on a ship, or on any person found on a ship (but see subsection (8));
  - (h) for the purpose of exercising a power mentioned in paragraph (e), (f) or (g), require a ship to be taken to, and remain in, a port or anchorage in the United Kingdom or any other country willing to receive it.
- (5) Regulations that confer a power mentioned in subsection (4)(a) to (f) or (h) must provide that a person may not exercise the power in relation to a ship unless the person has reasonable grounds to suspect that the ship is carrying prohibited goods (and the regulations need not require the person to have reasonable grounds to suspect that an offence is being or has been committed).
- (6) Regulations that confer a power mentioned in subsection (4)(e)(i) or (f) must provide that the power may be exercised only to the extent reasonably required for the purpose of discovering prohibited goods.
- (7) Regulations that confer a power mentioned in subsection (4)(e)(ii) on a person (“the officer”) may permit the search of a person only where the officer has reasonable grounds to believe that that person might use a thing in a way mentioned in subsection (4)(e)(ii).
- (8) Regulations that confer a power mentioned in subsection (4)(g) on a person—
- (a) must provide for the power to be exercisable on a ship only where that person is lawfully on the ship (whether in exercise of powers conferred by virtue of this section or otherwise), and
  - (b) may permit the seizure only of—
    - (i) goods which that person has reasonable grounds to suspect are prohibited goods, or
    - (ii) things within subsection (4)(e)(ii).
- (9) Regulations that confer a power on a person by virtue of this section may authorise that person to use reasonable force, if necessary, in the exercise of the power.
- (10) Regulations that confer a power by virtue of this section must provide that—
- (a) the power may be exercised in relation to a British ship in foreign waters only with the authority of the Secretary of State, and
  - (b) in relation to foreign waters other than the sea and other waters within the seaward limits of the territorial sea adjacent to any relevant British possession, the Secretary of State may give authority only if the State in whose waters the power would be exercised consents to the exercise of the power.
- (11) Regulations that confer a power by virtue of this section must provide that—
- (a) the power may be exercised in relation to a foreign ship only with the authority of the Secretary of State, and
  - (b) the Secretary of State may give authority only if—
    - (i) the home state has requested the assistance of the United Kingdom for the purpose of enforcing relevant prohibitions or requirements,

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

- (ii) the home state has authorised the United Kingdom to act for that purpose, or
  - (iii) the United Nations Convention on the Law of the Sea 1982 (Cmnd 8941) or a UN Security Council Resolution otherwise permits the exercise of the powers in relation to the ship.
- (12) The reference in subsection (11) to the United Nations Convention on the Law of the Sea includes a reference to any modifications of that Convention agreed after the passing of this Act that have entered into force in relation to the United Kingdom.
- (13) In this section—
- “arrangements” includes any agreement, understanding, scheme, transaction or series of transactions (whether or not legally enforceable);
  - “British ship” means a ship falling within paragraph (a), (c), (d) or (e) of section 7(12);
  - “foreign ship” means a ship which—
    - (a) is registered in a State other than the United Kingdom, or
    - (b) is not so registered but is entitled to fly the flag of a State other than the United Kingdom;
  - “foreign waters” means the sea and other waters within the seaward limits of the territorial sea adjacent to any relevant British possession or State other than the United Kingdom;
  - “goods” includes technology within the meaning of Schedule 1 (see paragraph 36 of that Schedule);
  - “home state”, in relation to a foreign ship, means—
    - (a) the State in which the ship is registered, or
    - (b) the State whose flag the ship is otherwise entitled to fly;
  - “international waters” means waters beyond the territorial sea of the United Kingdom or of any other State or relevant British possession;
  - “prohibited goods” means goods which have been, or are being, dealt with in contravention of a relevant prohibition or requirement (see subsection (3));
  - “regulations” means regulations under section 1;
  - “relevant British possession” has the same meaning as in section 7 (see subsection (14) of that section);
  - “ship” has the same meaning as in section 7 (see subsection (14) of that section);
  - “ship without nationality” means a ship which—
    - (a) is not registered in, or otherwise entitled to fly the flag of, any State or relevant British possession, or
    - (b) sails under the flags of two or more States or relevant British possessions, or under the flags of a State and relevant British possession, using them according to convenience.
- (14) In the definition of “prohibited goods” in subsection (13), the reference to goods dealt with in contravention of a relevant prohibition or requirement includes a reference to a case where—
- (a) arrangements relating to goods have been entered into that have not been fully implemented, and
  - (b) if those arrangements were to be fully implemented, the goods would be dealt with in contravention of that prohibition or requirement.”

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

***Member's explanatory statement***

*This new clause allows regulations under section 1 to provide for powers to stop and search a ship outside the United Kingdom, and to seize goods or technology found on the ship. The powers are exercisable for the purpose of enforcing prohibitions in sanctions regulations relating to the goods or technology.*

Sir Alan Duncan

NC16

★ To move the following Clause—

**“Goods etc on ships: non-UK conduct**

- (1) Regulations may make provision conferring on prescribed persons powers exercisable—
  - (a) in relation to—
    - (i) British ships in foreign waters or international waters,
    - (ii) ships without nationality in international waters, and
    - (iii) foreign ships in international waters,
  - (b) for the purpose of—
    - (i) investigating the suspected carriage of relevant goods on such ships, or
    - (ii) preventing the continued carriage on such ships of goods suspected to be relevant goods.
- (2) The powers that may be conferred by virtue of this section include powers to—
  - (a) stop a ship;
  - (b) board a ship;
  - (c) require any person found on a ship boarded by virtue of this section to provide information or produce documents;
  - (d) inspect and copy such documents or information;
  - (e) stop any person found on such a ship and search that person for—
    - (i) relevant goods, or
    - (ii) any thing that might be used to cause physical injury or damage to property or to endanger the safety of any ship;
  - (f) search a ship boarded by virtue of this section, or any thing found on such a ship (including cargo), for relevant goods;
  - (g) seize goods found on a ship, in any thing found on a ship, or on any person found on a ship (but see subsection (6));
  - (h) for the purpose of exercising a power mentioned in paragraph (e), (f) or (g), require a ship to be taken to, and remain in, a port or anchorage in the United Kingdom or any other country willing to receive it.
- (3) Regulations that confer a power mentioned in subsection (2)(a) to (f) or (h) must provide that a person may not exercise the power in relation to a ship unless the person has reasonable grounds to suspect that the ship is carrying relevant goods.
- (4) Regulations that confer a power mentioned in subsection (2)(e)(i) or (f) must provide that the power may be exercised only to the extent reasonably required for the purpose of discovering relevant goods.
- (5) Regulations that confer a power mentioned in subsection (2)(e)(ii) on a person (“the officer”) may permit the search of a person only where the officer has

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

- reasonable grounds to believe that that person might use a thing in a way mentioned in subsection (2)(e)(ii).
- (6) Regulations that confer a power mentioned in subsection (2)(g) on a person—
- (a) must provide for the power to be exercisable on a ship only where that person is lawfully on the ship (whether in exercise of powers conferred by virtue of this section or otherwise), and
  - (b) may permit the seizure only of—
    - (i) goods which that person has reasonable grounds to suspect are relevant goods, or
    - (ii) things within subsection (2)(e)(ii).
- (7) Regulations that confer a power on a person by virtue of this section may authorise that person to use reasonable force, if necessary, in the exercise of the power.
- (8) Regulations that confer a power by virtue of this section must provide that—
- (a) the power may be exercised in relation to a British ship in foreign waters only with the authority of the Secretary of State, and
  - (b) in relation to foreign waters other than the sea and other waters within the seaward limits of the territorial sea adjacent to any relevant British possession, the Secretary of State may give authority only if the State in whose waters the power would be exercised consents to the exercise of the power.
- (9) Regulations that confer a power by virtue of this section must provide that—
- (a) the power may be exercised in relation to a foreign ship only with the authority of the Secretary of State, and
  - (b) the Secretary of State may give authority only if—
    - (i) the home state has requested the assistance of the United Kingdom for a purpose mentioned in subsection (1)(b),
    - (ii) the home state has authorised the United Kingdom to act for such a purpose, or
    - (iii) the United Nations Convention on the Law of the Sea 1982 (Cmnd 8941) or a UN Security Council Resolution otherwise permits the exercise of the powers in relation to the ship.
- (10) The reference in subsection (9) to the United Nations Convention on the Law of the Sea includes a reference to any modifications of that Convention agreed after the passing of this Act that have entered into force in relation to the United Kingdom.
- (11) In this section—
- “regulations” means regulations under section 1;
  - “relevant goods” means goods in relation to which relevant non-UK conduct is occurring or has occurred;
  - “relevant non-UK conduct” means conduct outside the United Kingdom by a person other than a United Kingdom person that would constitute a contravention of a relevant prohibition or requirement if the conduct had been—
    - (a) in the United Kingdom, or
    - (b) by a United Kingdom person;
  - “relevant prohibition or requirement” has the same meaning as in section (*Enforcement: goods etc on ships*) (see subsection (3) of that section);
  - “United Kingdom person” has the same meaning as in section 19 (see subsection (2) of that section).
- (12) In the definition of “relevant non-UK conduct” in subsection (11), the reference to conduct that would constitute a contravention of a relevant prohibition or



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requirement if the conduct had been in the United Kingdom or by a United Kingdom person includes a reference to a case where—

- (a) arrangements relating to goods have been entered into that have not been fully implemented, and
  - (b) if those arrangements were to be fully implemented (and if the conduct had been in the United Kingdom or by a United Kingdom person) the goods would be dealt with in contravention of that prohibition or requirement.
- (13) In this section, the following expressions have the same meaning as in section (*Enforcement: goods etc on ships*)—
- “arrangements”,
  - “British ship”,
  - “foreign ship”,
  - “foreign waters”,
  - “goods”,
  - “home state”,
  - “international waters”,
  - “relevant British possession”,
  - “ship”, and
  - “ship without nationality”.

***Member’s explanatory statement***

*This new clause allows regulations under section 1 to provide for powers to stop and search a ship outside the United Kingdom, and to seize goods or technology found on the ship. The powers are exercisable for the purpose of seizing goods or technology where there has been conduct (or suspected conduct) which would be a contravention of a prohibition in sanctions regulations relating to the goods or technology, but for the fact that the conduct falls outside the territorial scope mentioned in Clause 19 of the Bill.*

Sir Alan Duncan

NC17

- ★ To move the following Clause—

**“Procedure for dealing with goods etc seized from ships**

- (1) The Secretary of State may by regulations make provision about the procedure to be followed in connection with goods seized under a power conferred by regulations under section 1 by virtue of section (*Enforcement: goods etc on ships*) or (*Goods etc on ships: non-UK conduct*).
- (2) Regulations under this section relating to goods seized on suspicion of being prohibited goods or relevant goods may include provision—
  - (a) requiring prescribed persons to be notified of the seizure of the goods;
  - (b) requiring the Secretary of State to determine whether the seized goods were, at the time of their seizure, prohibited goods (where the goods were seized under a power conferred by virtue of section (*Enforcement: goods etc on ships*)) or relevant goods (where the goods were seized under a power conferred by virtue of section (*Goods etc on ships: non-UK conduct*));
  - (c) enabling the making of a claim by prescribed persons in relation to the seized goods;

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

- (d) about the determination by a prescribed court of any such claim;
  - (e) about the publicity to be given to any such determination by a court;
  - (f) for and about the return of seized goods to prescribed persons before or after any such determination of a claim by a court;
  - (g) about the treatment of seized goods not so returned (including, in prescribed circumstances, their destruction or sale);
  - (h) for and about the payment of compensation by the Secretary of State following a determination by a court that the goods were not, at the time of their seizure, prohibited goods (where the goods were seized under a power conferred by virtue of section (*Enforcement: goods etc on ships*)) or relevant goods (where the goods were seized under a power conferred by virtue of section (*Goods etc on ships: non-UK conduct*)).
- (3) In this section—
- “goods” has the same meaning as in sections (*Enforcement: goods etc on ships*) and (*Goods etc on ships: non-UK conduct*) (see subsections (13) of those sections);
  - “prohibited goods” has the same meaning as in section (*Enforcement: goods etc on ships*) (see subsection (13) of that section);
  - “relevant goods” has the same meaning as in section (*Goods etc on ships: non-UK conduct*) (see subsection (11) of that section).”

**Member’s explanatory statement**

*This new clause provides a power for the Secretary of State to make regulations setting out how goods or technology seized from ships under the new clauses which would be inserted by NC15 and NC16 must be dealt with.*

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Alison Thewliss

NC1

To move the following Clause—

**“Scottish Limited Partnerships: partner requirement**

- (1) For the purposes of preventing money laundering, where a limited partnership registered in Scotland has general partners at least one of those must be a British citizen.
  - (2) Where a limited partnership registered in Scotland has limited partners at least one of those must be a British citizen.
  - (3) In this section—
    - a “limited partnership registered in Scotland” means a partnership registered under the Limited Partnerships Act 1907;
    - “British citizen” has the meaning given in part 1 of the British Nationality Act 1981.
    - “general partner” has the meaning given in section 4(2) of the Limited Partnership Act 1907;
    - “limited partner” has the meaning given in section 4(2A) of the Limited Partnership Act 1907”
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Sanctions and Anti-Money Laundering Bill [*Lords*], *continued*

Alison Thewliss

NC2

To move the following Clause—

**“Companies House: due diligence and resources**

- (1) For the purposes of preventing money laundering, the Companies Act 2006 is amended as follows.
- (2) In section 1061 (the registrar’s functions) after subsection (1) insert—
  - “(1A) Functions directed by the Secretary of State under subsection (1)(b) must include due diligence on a person wishing to register a company.
  - (1B) In this section “due diligence” has the same meaning as “customer due diligence measures” in regulation 3 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 692/2017).”
- (3) In section 1063 (Fees payable to the registrar), in subsection (2)(a) after “Secretary of State” insert “including the duty of due diligence under section 1061(1A).”

***Member’s explanatory statement***

*This new clause would amend the duties of Companies House to ensure that any person wishing to register a company must be checked for due diligence by Companies House, in line with the measures included in the Money Laundering Regulations 2017. It also ensures that the Secretary of State can charge fees for due diligence checks to cover costs incurred by Companies House.*

Dame Margaret Hodge  
 Mr Andrew Mitchell  
 Richard Benyon  
 Tom Tugendhat  
 Helen Goodman  
 Nick Herbert

Ms Harriet Harman  
 Mr Kenneth Clarke  
 Nick Boles  
 Jo Swinson  
 Mr Dominic Grieve  
 Stephen Crabb  
 John Mann  
 Bob Stewart  
 Chris Bryant  
 Alison Thewliss  
 Jeremy Lefroy  
 Anneliese Dodds

Nicky Morgan  
 Frank Field  
 Hilary Benn  
 Crispin Blunt  
 Yvette Cooper  
 Edward Miliband  
 Heidi Allen  
 Rachel Reeves  
 Nigel Mills  
 Anna Soubry  
 Caroline Lucas

Sir Vince Cable  
 Ian Blackford  
 Dr Sarah Wollaston  
 Meg Hillier  
 Margaret Beckett  
 Adam Holloway  
 Caroline Flint  
 Dame Caroline Spelman  
 Dr Rupa Huq  
 Rushanara Ali  
 Grant Shapps

NC6

★ To move the following Clause—

**“Public registers of beneficial ownership of companies registered in British Overseas Territories**

- (1) For the purposes of the detection, investigation or prevention of money laundering, the Secretary of State must provide all reasonable assistance to the governments of the British Overseas Territories to enable each of those

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

governments to establish a publicly accessible register of the beneficial ownership of companies registered in each government's jurisdiction.

- (2) The Secretary of State must, no later than 31 December 2020, prepare a draft Order in Council requiring the government of any British Overseas Territory that has not introduced a publicly accessible register of the beneficial ownership of companies within its jurisdiction to do so.
- (3) The draft Order in Council under subsection (2) must set out the form that the register must take.
- (4) If an Order in Council contains requirements of a kind mentioned in subsection (2)—
  - (a) it must be laid before Parliament after being made, and
  - (b) if not approved by a resolution of each House of Parliament before the end of 28 days beginning with the day on which it is made, it ceases to have effect at the end of that period (but without that affecting the power to make a new Order under this section).
- (5) In calculating a period of 28 days for the purposes of subsection (4), no account is to be taken of any time during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than four days.
- (6) For the purposes of this section, “British Overseas Territories” means a territory listed in Schedule 6 of the British Nationality Act 1981.
- (7) For the purposes of this section, “a publicly accessible register of the beneficial ownership of companies” means a register which, in the opinion of the Secretary of State, provides information broadly equivalent to that available in accordance with the provisions of Part 21A of the Companies Act 2006.”

***Member's explanatory statement***

*This new clause would require the Secretary of State to take steps to provide that British Overseas Territories establish publicly accessible registers of the beneficial ownership of companies.*

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Helen Goodman  
Anneliese Dodds

NC7

- ★ To move the following Clause—

**“Money laundering exemptions**

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692) are exempted from amendment or revocation under the Legislative and Regulatory Reform Act 2006 and under the European Union (Withdrawal) Act 2018.”

***Member's explanatory statement***

*This new clause would prevent any amendment or repeal of the 2017 Money Laundering Regulations via powers contained in the Legislative and Regulatory Reform Act 2006 and the European Union (Withdrawal) Act 2018.*

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

Helen Goodman  
Anneliese Dodds

NC8

★ To move the following Clause—

**“Public register of beneficial owners of overseas entities**

- (1) The Secretary of State must, in addition to the provisions made under paragraph 6 of Schedule 2, create a public register of beneficial ownership information for companies and other legal entities registered outside of the UK that own or buy UK property, or bid for UK government contracts.
- (2) The register must be implemented within 12 months of the day on which this Act is passed.
- (3) For the purposes of this section “a register of beneficial ownership for companies and other legal entities registered outside of the UK” means a public register—
  - (a) which contains information about overseas entities and persons with significant control over them, and
  - (b) which in the opinion of the Secretary of State will assist in the prevention of money laundering.”

***Member’s explanatory statement***

*This new clause would create a public register of beneficial ownership information for companies and other legal entities outside of the UK that own or buy UK property, or bid for UK government contracts, within 12 months.*

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Helen Goodman  
Anneliese Dodds

NC9

★ To move the following Clause—

**“Independent review of operation of terrorist-related sanctions**

- (1) The Secretary of State must appoint an individual to review the operation of terrorist-related sanctions under section 1 (2) (“the independent reviewer”).
- (2) The Secretary of State—
  - (a) must aim to appoint an individual who is likely to be perceived as independent of government, and
  - (b) may combine the appointment with another office or appointment.
- (3) In January of each calendar year after the commencement of this Act the independent reviewer must send the Secretary of State a list of proposed reviews for that year.
- (4) The independent reviewer—
  - (a) must aim to complete the reviews listed under subsection (3) within the relevant year; and
  - (b) may undertake other reviews.
- (5) After completing a review the independent reviewer must send the Secretary of State a report as soon as reasonably practicable.
- (6) On receiving a report the Secretary of State must lay it before Parliament as soon as reasonably practicable.

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

- (7) The Secretary of State may pay reasonable allowances and expenses to the independent reviewer, and must publish the scale of allowances and expenses to be paid.”

**Member’s explanatory statement**

*This new clause would require the Secretary of State to appoint an individual to review the operation of terrorist-related sanctions under section 1 (2). The independent reviewer would be required to send a list of proposed reviews in January of each calendar year to the Secretary of State, and to thereafter send a report of the completed review to the Secretary of State as soon as reasonably practicable.*

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Helen Goodman  
Anneliese Dodds

NC10

- ★ To move the following Clause—

**“Parliamentary committee to scrutinise regulations**

- (1) A Minister may not lay before Parliament a statutory instrument under section 49(5) unless a Committee of the House of Commons charged with scrutinising statutory instruments made under this Act has recommended that the instrument be laid.
- (2) The committee of the House of Commons so charged under subsection (1) may scrutinise any reviews carried out under section 28 of this Act.”

**Member’s explanatory statement**

*This new clause would require a specialised House of Commons Committee to approve all statutory instruments laid under the affirmative procedure under this Act. The Committee would also scrutinise the Government’s reviews of sanctions regulations.*

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Helen Goodman  
Anneliese Dodds

NC11

- ★ To move the following Clause—

**“Failure to prevent money laundering**

- (1) A relevant body (B) is guilty of an offence if a person commits a money laundering facilitation offence when acting in the capacity of a person associated with B.
- (2) For the purposes of this section “money laundering facilitation offence” means—
- (a) concealing, disguising, converting, transferring or removing criminal property under section 327 of the Proceeds of Crime Act 2002 (concealing etc);
  - (b) entering into an arrangement which the person knows, or suspects, facilitates (by whatever means) the acquisition, retention, use, or control of criminal property under section 328 of the Proceeds of Crime Act 2002 (arrangements); or
  - (c) the acquisition, use or possession of criminal property, under section 329 of the Proceeds of Crime Act 2002 (acquisition, use and possession).

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

- (3) It is a defence for B to prove that, when the money laundering facilitation offence was committed, B had in place adequate procedures designed to prevent persons acting in the capacity of a person associated with B from committing such an offence.
- (4) A relevant body guilty of an offence under this section is liable—
  - (a) on conviction on indictment, to a fine;
  - (b) on summary conviction in England and Wales, to a fine; or
  - (c) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum.
- (5) It is immaterial for the purposes of this section whether—
  - (a) any relevant conduct of a relevant body, or
  - (b) any conduct which constitutes part of a relevant criminal offence, takes place in the United Kingdom or elsewhere.
- (6) In this section, “relevant body” and “acting in the capacity of a person associated with B” have the same meaning as in section 44 of the Criminal Finances Act 2017 (meaning of relevant body and acting in the capacity of an associated person).”

***Member’s explanatory statement***

*This new clause would make it an offence if a relevant body failed to put in place adequate procedures to prevent a person associated with it from carrying out a money laundering facilitation offence. A money laundering facilitation offence would include concealing, disguising, converting, transferring or removing criminal property under section 327 of the Proceeds of Crime Act 2002.*

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Helen Goodman  
Anneliese Dodds

**NC12**

- ★ To move the following Clause—

**“Public register of beneficial ownership of trusts and similar legal arrangements**

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 are amended by leaving out paragraph (12) of regulation 45 (Register of beneficial ownership) and inserting—

“(12) The Commissioners must ensure that the register is published.””

***Member’s explanatory statement***

*This new clause would require the Government to publish the register of beneficial ownership of trusts and similar legal arrangements on the day this Act is passed.*

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

Helen Goodman  
Anneliese Dodds

NC13

- ★ To move the following Clause—

**“Due diligence**

- (1) For the purposes of preventing money laundering, when a company is formed, any company formation agent providing formation services must ensure that the identity and business risk profile of all beneficial owners of the company are established in accordance with—
  - (a) the customer due diligence measures under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692),
  - (b) regulations made under section 44 of this Act, or
  - (c) the Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on anti-money laundering measures.
- (2) For the purposes of subsection (1), Companies House is to be treated as a “company formation agent”.

***Member’s explanatory statement***

*This new clause would ensure that when a company is formed in the UK, the relevant formation services must identify the beneficial owners of the company. It will also treat Companies House as a “company formation agent”, ensuring that the data on the public register of beneficial ownership for companies is accurate.*

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Helen Goodman  
Anneliese Dodds

NC14

- ★ To move the following Clause—

**“Public registers of beneficial ownership of companies in the Crown Dependencies**

- (1) For the purpose of preventing money laundering, the Secretary of State must provide all reasonable assistance to the governments of the Crown Dependencies to enable each of those governments to establish a publicly accessible register of the beneficial ownership of companies registered in that government’s jurisdiction.
- (2) The Secretary of State must, by the deadline set for the implementation of the European Union’s 5th Anti-Money Laundering Directive, prepare a draft Order in Council requiring the government of any Crown Dependency that has not introduced a publicly accessible register of beneficial ownership of companies within their jurisdiction to do so.
- (3) The draft Order in Council under subsection (2)—
  - (a) must be laid before Parliament after being made, and
  - (b) if not approved by a resolution of each House of Parliament before the end of the 28 days beginning with the day on which it is made, ceases to have effect at the end of that period (but without that affecting the power to make a new Order).
- (4) In calculating a period of 28 days for the purposes of subsection (4), no account is to be taken of any time during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than 4 days.



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

- (5) For the purposes of this section, a “publicly accessible register of beneficial ownership of companies” means a register which, in the opinion of the Secretary of State, provides information broadly equivalent to that available in accordance with the provisions of Part 21A of the Companies Act 2006 (information about people with significant control).
- (6) For the purposes of this section, “Crown Dependency” means—
- (a) any of the Channel Islands;
  - (b) the Isle of Man.”

Alison Thewliss

Clause 1, page 1, line 8, leave out “appropriate” and insert “necessary”

1

Sir Alan Duncan  
Helen Goodman  
Anneliese Dodds

☆ Clause 1, page 2, line 11, at end insert—

- “(ea) provide accountability for or be a deterrent to gross violations of human rights, or otherwise promote—
- (i) compliance with international human rights law, or
  - (ii) respect for human rights.”

***Member’s explanatory statement***

*This amendment makes clear that sanctions regulations can be made for the purpose of preventing, or in response to, a gross human rights abuse or violation.*

10

Sir Alan Duncan  
Helen Goodman  
Anneliese Dodds

☆ Clause 1, page 2, line 12, leave out “and human rights”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 10.*

11

Sir Alan Duncan  
Helen Goodman  
Anneliese Dodds

☆ Clause 1, page 2, line 16, leave out “human rights,”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 10.*

12

Alison Thewliss

Clause 1, page 2, line 17, at end insert—

- “(i) further the prevention of organised crime, or  
(j) further the prevention of human trafficking.”

2

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

Sir Alan Duncan

23

- ★ Clause 1, page 2, line 38, after “to” insert “17, (*Enforcement: goods etc on ships*), (*Goods etc on ships: non-UK conduct*) and”

**Member’s explanatory statement**

*This amendment ensures that the reference in Clause 1(6) to clauses by virtue of which supplemental provision can be made by sanctions regulations includes NC15 and NC16.*

Sir Alan Duncan  
Helen Goodman  
Anneliese Dodds

13

- ☆ Clause 1, page 2, line 38, at end insert—

“(6A) In this Act any reference to a gross violation of human rights is to conduct which—

- (a) constitutes, or  
(b) is connected with,

the commission of a gross human rights abuse or violation; and whether conduct constitutes or is connected with the commission of such an abuse or violation is to be determined in accordance with section 241A of the Proceeds of Crime Act 2002.”

**Member’s explanatory statement**

*This amendment establishes that “gross violation of human rights” includes the torture of a person, by a public official or a person in an official capacity, where the tortured person has sought to expose the illegal activity of a public official or to defend human rights or fundamental freedoms.*

Sir Alan Duncan

14

- ☆ Clause 1, page 3, line 3, after first “to” insert “(e), (ea) and (f) to”

**Member’s explanatory statement**

*This amendment is consequential on Amendment 10.*

---

Sir Alan Duncan

15

- ☆ Clause 2, page 3, line 26, after “to” insert “(e), (ea) and (f) to”

**Member’s explanatory statement**

*This amendment is consequential on Amendment 10.*

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Sir Alan Duncan

24

- ★ Clause 19, page 18, line 34, at end insert—

“( ) Nothing in this section limits the provision that may be made in regulations under section 1 by virtue of section (*Enforcement: goods etc on ships*) or (*Goods etc on ships: non-UK conduct*).”

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

***Member's explanatory statement***

*This amendment makes it clear that Clause 19, which deals with the extra-territorial application of the Bill, does not limit the application of the new clauses which would be inserted by NC15 and NC16 (which provide for powers to be exercisable in relation to ships outside the United Kingdom).*

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Alison Thewliss

Clause 22, page 20, line 12, leave out “3 years” and insert “12 months”

3

Alison Thewliss

Clause 22, page 20, line 14, leave out “3 years” and insert “12 months”

4

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Alison Thewliss

Clause 26, page 21, line 36, leave out “3 years” and insert “12 months”

5

Alison Thewliss

Clause 26, page 21, line 38, leave out “3 years” and insert “12 months”

6

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Sir Alan Duncan

☆ Clause 28, page 22, line 25, after “to” insert “(e), (ea) and (f) to”

16

***Member's explanatory statement***

*This amendment is consequential on Amendment 10.*

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Alison Thewliss

Clause 38, page 31, line 12, leave out “may include guidance about—” and insert “must include, but is not limited to, guidance about—”

7

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

Alison Thewliss

8

Clause 38, page 31, line 15, at end insert—

“(3) The appropriate Minister must review the guidance issued under this section and lay a report before Parliament every 12 months.”

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Sir Alan Duncan

17

☆ Clause 40, page 31, line 39, after “to” insert “(e), (ea) and (f) to”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 10.*

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Sir Alan Duncan

25

★ Clause 47, page 35, line 39, at end insert—

“( ) Nothing in this Act affects any power exercisable in relation to ships by virtue of the prerogative of the Crown.”

***Member’s explanatory statement***

*This amendment ensures that powers under the Bill which may be exercised in relation to ships, including those inserted by NC15 and NC16, would not limit powers which may be exercised in relation to ships by virtue of the royal prerogative.*

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Helen Goodman  
Anneliese Dodds

21

★ Clause 48, page 36, line 8, leave out paragraph (a)

***Member’s explanatory statement***

*This amendment would remove paragraph 2(a) from Clause 48, which enables the appropriate Minister to amend, repeal or revoke enactments for regulations under section 1 or 44 using Henry VIII powers.*

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Alison Thewliss

9

Clause 49, page 37, line 27, at end insert—

“(5A) A statutory instrument containing regulations under section 1 that repeals, revokes or amends—

(a) an Act of the Scottish Parliament,

(b) a Measure or Act of the National Assembly for Wales, or

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

(c) Northern Ireland legislation,  
must receive the consent of the Scottish Parliament, the National Assembly for  
Wales and the Northern Ireland Assembly, respectively.”

**Member’s explanatory statement**

*This amendment would require the UK Government to obtain the consent of the devolved administrations before repealing, revoking or amending devolved legislation using a statutory instrument containing regulations under section 1.*

Helen Goodman  
Anneliese Dodds

22

★ Clause 51, page 39, line 4, leave out subsection (3)

**Member’s explanatory statement**

*This amendment would remove subsection (3) of Clause 51, which states that if a reporting provision is not complied with, the appropriate Minister must publish a written statement explaining why that Minister failed to comply with it.*

Dame Margaret Hodge  
Mr Andrew Mitchell  
Richard Benyon  
Tom Tugendhat  
Helen Goodman  
Nick Herbert

Ms Harriet Harman  
Mr Kenneth Clarke  
Nick Boles  
Jo Swinson  
Mr Dominic Grieve  
Stephen Crabb  
John Mann  
Bob Stewart  
Chris Bryant  
Alison Thewliss  
Jeremy Lefroy  
Anneliese Dodds

Nicky Morgan  
Frank Field  
Hilary Benn  
Crispin Blunt  
Yvette Cooper  
Edward Miliband  
Heidi Allen  
Rachel Reeves  
Nigel Mills  
Anna Soubry  
Caroline Lucas

Sir Vince Cable  
Ian Blackford  
Dr Sarah Wollaston  
Meg Hillier  
Margaret Beckett  
Adam Holloway  
Caroline Flint  
Dame Caroline Spelman  
Dr Rupa Huq  
Rushanara Ali  
Grant Shapps

20

★ Clause 56, page 43, line 7, after first “1”, insert “, section (Public registers of beneficial ownership of companies registered in British Overseas Territories)”

**Member’s explanatory statement**

*This amendment is consequential on NC6.*

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

Sir Alan Duncan

18

☆ Clause 57, page 43, line 31, at end insert—

“( ) section (*Periodic reports on exercise of power to make regulations under section 1*),”

**Member’s explanatory statement**

*This amendment has the effect that the commencement date of clause (*Periodic reports on exercise of power to make regulations under section 1*) is the day on which the Act is passed.*

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Sir Alan Duncan

26

★ Schedule 1, page 51, line 14, at end insert—

“27A(1) For the purpose of the enforcement of any relevant prohibition or requirement, regulations under this paragraph may modify any provision of CEMA which—

- (a) determines whether any thing is liable to forfeiture under CEMA by virtue of a contravention of the prohibition or requirement,
- (b) provides for the treatment of any thing which is so liable by virtue of such a contravention, or
- (c) confers any power exercisable in relation to a ship, aircraft or vehicle.

(2) In sub-paragraph (1) a “relevant prohibition or requirement” means a prohibition or requirement—

- (a) imposed for a purpose mentioned in Part 1, and
- (b) specified in the regulations under this paragraph.”

**Member’s explanatory statement**

*This amendment provides a power for regulations to modify provisions of the Customs and Excise Management Act 1979 that apply in relation to prohibitions contained in sanctions regulations.*

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Sir Alan Duncan

19

☆ Schedule 2, page 57, line 29, leave out paragraphs (a) and (b) and insert—

“(c) subject to any modifications the appropriate Minister making those regulations considers appropriate, make provision corresponding or similar to any provision of retained money laundering Regulations as those Regulations have effect immediately after being saved by section 2 or 3 of the European Union (Withdrawal) Act 2018;

(d) amend or revoke any retained money laundering Regulations.

(3A) In sub-paragraph (1) “retained money laundering Regulations” means—

- (a) the Money Laundering Regulations 2017;
- (b) Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 on information accompanying transfers of funds;
- (c) any provision made under Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or

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

terrorist financing by virtue of Article 290 or 291(2) of the Treaty on the Functioning of the European Union.”

***Member’s explanatory statement***

*This amendment enables money-laundering regulations under the Bill to make provision corresponding to, or amend or revoke, specified retained direct EU legislation relating to money laundering. It is consequential on government amendments to the European Union (Withdrawal) Bill which might otherwise prevent the regulations from modifying that retained legislation.*

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ORDER OF THE HOUSE [20 FEBRUARY 2018]

That the following provisions shall apply to the Sanctions and Anti-Money Laundering Bill [Lords]:

*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 Tuesday 6 March.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

*Proceedings on Consideration and up to and including Third Reading*

4. Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
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 may be programmed.
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