



House of Commons

NOTICES OF AMENDMENTS

given up to and including

Friday 27 November 2020

New Amendments handed in are marked thus ★

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

PUBLIC BILL COMMITTEE

NATIONAL SECURITY AND INVESTMENT BILL

NOTE

This document includes all amendments remaining before the committee and includes any withdrawn amendments at the end. The amendments have been arranged in accordance with the Order of the Committee [24 November 2020].

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

- ☆ Clause 1, page 1, line 6, after “Secretary of State” insert “upon the assessment of a multi-agency review or recommendation of the Intelligence and Security Committee” 3
Member’s explanatory statement
This amendment would require the Secretary of State to assess a multi-agency review prior to issuing a call-in notice.

 National Security and Investment Bill, *continued*

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

10

☆ Clause 2, page 2, line 12, leave out subsection (1) and insert—

“(1) No more than one call-in notice may be given in relation to each trigger event, unless material new information becomes available within five years of the initial trigger event.”

Member’s explanatory statement

This amendment would enable the Secretary of State to issue multiple call-in notices if material new information becomes available.

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

1

☆ Clause 3, page 3, line 1, leave out “may” and insert “shall”

Member’s explanatory statement

This amendment would make it obligatory for the Secretary of State to include certain matters in a statement about his/her exercise of the call-in power.

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

2

☆ Clause 3, page 3, line 9, at end insert—

“(d) the Secretary of State’s definition of the scope of what constitutes national security.”

Member’s explanatory statement

This amendment provides that a statement from the Secretary of State about the exercise of a call-in power may include his/her definition of national security.

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

9

☆ Clause 3, page 3, line 9, at end insert—

“(d) details of the resource allocated annually to reviews of national security assessments guiding call-in decisions, including specific headcount, skillsets and review caseload figures.”

Member’s explanatory statement

This amendment provides that a statement from the Secretary of State about the exercise of a call-in power may include details of the resources allocated to reviews of national security assessments within BEIS.

National Security and Investment Bill, *continued*

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

11

☆ Clause 3, page 3, line 16, at end insert—

“(7) The Secretary of State must publish guidance for potential acquirers and other interested parties separate from the policy intent statement.

(8) Guidance under subsection (7) must cover—

(a) best practice for complying with the requirements on acquirers imposed by this Act and regulations;

(b) the enforcement of the requirements; and

(c) circumstances where the requirements do not apply.

(9) Guidance under subsection (7) must be published within six months of this Act receiving Royal Assent.”

Member’s explanatory statement

This amendment would require the Secretary of State to provide clear guidance to potential acquirers and other interested parties.

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

4

☆ Clause 4, page 3, line 21, at end insert—

“(aa) at least one week before the statement is made, consult with the Intelligence and Security Committee in respect of the contents of the statement; and

(ab) amend such legislation as may be necessary to allow such consultation to take place;”

Member’s explanatory statement

This amendment would require the Secretary of State to consult with the Intelligence and Security Committee before publishing a statement under section 3.

Stephen Kinnock
 Chi Onwurah
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

6

☆ Clause 6, page 4, line 27, at end insert—

“(4A) The Secretary of State must have regard to the protection of critical national infrastructure when making regulations under this section.”

Member’s explanatory statement

This amendment would require the Secretary of State to have regard to the protection of critical national infrastructure when making notifiable acquisition regulations.

 National Security and Investment Bill, *continued*

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

5

☆ Clause 6, page 5, line 3, at end insert—

“(10) Before making regulations under this section, the Secretary of State must—

- (a) provide the Intelligence and Security Committee with one week’s advance notice of his/her intention to bring forward such regulations; and
- (b) make any necessary amendments to legislation to allow the Intelligence and Security Committee to respond with recommendations.”

Member’s explanatory statement

This amendment would require the Secretary of State to notify the Intelligence and Security Committee before making regulations under this section, and would provide a mechanism for the Committee to respond with recommendations.

Stephen Flynn
 Peter Grant

13

☆ Clause 6, page 5, line 3, at end insert—

“(10) Notifiable acquisition regulations must be reviewed one year after they are made, and at least once every five years thereafter.”

Member’s explanatory statement

This amendment would require notifiable acquisition regulations (including which sectors are covered) to be reviewed one year after they are made, and once every five years thereafter.

Stephen Kinnock
 Chi Onwurah
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

7

☆ Clause 8, page 6, line 38, at end insert—

“(10) The fifth case is where the acquisition involves state-owned entities or investors originating in a country of risk to UK national security and creates any change of influence.”

Member’s explanatory statement

This amendment would mean that any acquisition involving state-owned entities or investors originating in a country of risk to UK national security and creating a change of influence would count as a person gaining control of a qualifying entity.

National Security and Investment Bill, continued

Chi Onwurah
Stephen Kinnock
Sam Tarry
Matt Western
Dr Alan Whitehead

8

☆ Clause 8, page 6, line 38, at end insert—

“(10) The fifth case is where the acquisition involves changes to material influence in industries critical to the UK’s capability and capacity to maintain national security, including economic security.”

Member’s explanatory statement

This amendment would mean that any acquisition which involves changes to material influence in industries critical to national security would count as a person gaining control of a qualifying entity.

Chi Onwurah
Stephen Kinnock
Sam Tarry
Matt Western
Dr Alan Whitehead

12

☆ Clause 8, page 6, line 38, at end insert—

“(10) The fifth case is where a person becomes a major debt holder and therefore gains influence over the entity’s operation and policy decisions.

(11) For the purposes of subsection (8A), a major debt holder is a person who holds at least 25% of the entity’s total debt.”

Member’s explanatory statement

This amendment would mean that a person becoming a major debt holder would count as a person gaining control of a qualifying entity.

Stephen Flynn
Peter Grant

14

☆ Clause 8, page 6, line 38, at end insert—

“(10) The fifth case is where a person becomes a major debt holder and therefore gains influence over the entity’s operations and policy decisions.

(11) For the purposes of subsection (8A), a major debt holder is a person who holds at least 25% of the entity’s total debt.

(12) The sixth case is where a person becomes one of the entity’s top three suppliers of goods, services, infrastructure or resources and therefore gains influence over its operations and policy decisions.”

Member’s explanatory statement

This amendment would mean that a person becoming a major debt holder or a major supplier would count as a person gaining control of a qualifying entity.

National Security and Investment Bill, *continued*

Chi Onwurah
 Stephen Kinnock
 Sam Tarry
 Matt Western
 Dr Alan Whitehead

NC1

☆ To move the following Clause—

“National Security definition

When assessing a risk to national security, the Secretary of State may have regard to factors including, but not restricted to—

- (a) whether the trigger event risks enabling a hostile actor to gain control of a crucial supply chain, obtain access to sensitive sites, corrupt processes or systems, conduct espionage, exert inappropriate leverage or engage in any other action which may undermine national security;
- (b) whether the trigger event adversely impacts the UK’s capability and capacity to maintain economic security;
- (c) the potential impact of the trigger event on the UK’s defence capabilities and interests;
- (d) the potential impact of the trigger event on the transfer of sensitive data, technology or know-how outside of the UK;
- (e) the characteristics of the acquirer, including its jurisdiction of incorporation and proximity to any state;
- (f) the potential impact of the trigger event on the security of the UK’s critical national infrastructure;
- (g) whether the acquirer in respect of a trigger event has a history of compliance with UK and other applicable law;
- (h) the potential impact of the trigger event on the UK’s international interests and obligations, including with respect to the protection of human rights and climate risk; and
- (i) the potential of the trigger event to involve or facilitate illicit activities, including terrorism, organised crime and money laundering.”

Member’s explanatory statement

This new clause specifies a number of factors which the Secretary of State may consider when assessing a risk to national security.

Stephen Flynn
 Peter Grant

NC2

☆ To move the following Clause—

“Report on impact on Small to Medium Enterprises

Not later than 18 months after the day on which this Act receives Royal Assent, the Secretary of State must lay before Parliament—

- (a) a report setting out the impacts the Act has had on Small to Medium Enterprises and early-stage ventures, and

National Security and Investment Bill, *continued*

- (b) guidance for Small to Medium Enterprises and early-stage ventures on complying with the provisions of this Act.”

Member’s explanatory statement

This new clause would require the Government to produce a report setting out the impacts of this legislation on Small to Medium Enterprises and early-stage ventures, and to produce relevant guidance.

Stephen Flynn
Peter Grant

NC3

- ☆ To move the following Clause—

“Grace period for SMEs

For the purposes of section 32, a person has a reasonable excuse if—

- (a) the entity concerned is a Small to Medium Enterprise;
(b) this Act has been in force for less than six months.”

Member’s explanatory statement

This new clause creates a grace period whereby – for alleged offences committed under Section 32 – Small to Medium Enterprises would have a ‘reasonable excuse’ if the alleged offence was committed within the first six months after the Bill’s passage.

ORDER OF THE HOUSE [17 NOVEMBER 2020]

That the following provisions shall apply to the National Security and Investment 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 Tuesday 15 December 2020.
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.

National Security and Investment Bill, *continued*

ORDER OF THE COMMITTEE [24 NOVEMBER 2020]

That—

- (1) the Committee shall (in addition to its first meeting at 9.25am on Tuesday 24 November) meet—
 - (a) at 2.00 pm on Tuesday 24 November;
 - (b) at 11.30 am and 2.00 pm on Thursday 26 November;
 - (c) at 9.25 am and 2.00 pm on Tuesday 1 December;
 - (d) at 11.30 am and 2.00 pm on Thursday 3 December;
 - (e) at 11.30 am and 2.00 pm on Thursday 8 December;
 - (f) at 11.30 am and 2.00 pm on Thursday 10 December;
 - (g) at 9.25 am on Tuesday 15 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 24 November	Until no later than 10.30 am	The Royal United Services Institute
Tuesday 24 November	Until no later than 11.25 am	Sir Richard Dearlove KCMG OBE
Tuesday 24 November	Until no later than 2.45 pm	The Centre for International Studies, London School of Economics
Tuesday 24 November	Until no later than 3.30 pm	Skadden, Arps, Slate, Meagher & Flom LLP
Tuesday 24 November	Until no later than 4.15 pm	The Institute of Chartered Accountants in England and Wales
Tuesday 24 November	Until no later than 5.00 pm	The Investment Association
Thursday 26 November	Until no later than 12.15 pm	Slaughter and May
Thursday 26 November	Until no later than 1.00 pm	Professor Ciaran Martin, the Blavatnik School of Government, University of Oxford
Thursday 26 November	Until no later than 2.30 pm	Herbert Smith Freehills
Thursday 26 November	Until no later than 3.15 pm	Simons Muirhead and Burton

National Security and Investment Bill, *continued*

<i>Date</i>	<i>Time</i>	<i>Witness</i>
Thursday 26 November	Until no later than 4.00 pm	Chatham House
Thursday 26 November	Until no later than 4.30 pm	PricewaterhouseCoopers

- (3) proceedings on consideration of the Bill in Committee shall be taken in the following order: Clauses 1 to 10; Schedule 1; Clauses 11 to 58; Schedule 2; Clauses 59 to 66; new Clauses; new Schedules; remaining proceedings on the Bill;
 - (4) the proceedings shall (so far as not previously concluded) be brought to a conclusion at 11.25 am on Tuesday 15 December.
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