



# House of Commons

Tuesday 1 December 2020

## PUBLIC BILL COMMITTEE PROCEEDINGS

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### NATIONAL SECURITY AND INVESTMENT BILL

*[FIRST TO SIXTH SITTINGS]*

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#### GLOSSARY

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

*The following terms are used:*

*Added:* New Clause agreed without a vote and added to the Bill.

*Agreed to:* agreed without a vote.

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

*Negatived:* rejected without a vote.

*Negatived 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*Withdrawn after debate:* moved and debated but then withdrawn, so not put to a decision.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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#### *FIRST AND SECOND SITTINGS*

Nadhim Zahawi

*Agreed to*

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 9.25 am and 2.00 pm on Tuesday 8 December;
  - (f) at 11.30 am and 2.00 pm on Thursday 10 December;

National Security and Investment Bill, *continued*

- (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
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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National Security and Investment Bill, *continued*

Nadhim Zahawi

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.

*Agreed to*

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Nadhim Zahawi

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.

*Agreed to*

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*THIRD AND FOURTH SITTINGS*

*The following witnesses gave oral evidence:*

*Lisa Wright, Partner, Slaughter and May; Christian Boney, Partner, Slaughter and May.*

*Professor Ciaran Martin, Professor of Practice in the Management of Public Organisations, Blavatnik School of Government, University of Oxford.*

*James Palmer, Senior Partner, Herbert Smith Freehills.*

*David Offenbach, Consultant, Simons Muirhead and Burton.*

*Creon Butler, Research Director, Trade, Investment & New Governance Models: Director, Global Economy and Finance Programme, Chatham House.*

*Will Jackson-Moore, Global Private Equity, Real Assets and Sovereign Funds Leader, PwC United Kingdom, PricewaterhouseCoopers.*

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*FIFTH TO SIXTH SITTINGS*

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negatived on division 3*

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”

*Clause agreed to.*

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Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Withdrawn after debate 10*

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

**National Security and Investment Bill, *continued***

- “(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.”

*Clause agreed to.*

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Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negatived on division 1*

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

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negatived on division 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.”

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Not called 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.”

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negatived on division 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.

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National Security and Investment Bill, *continued*

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

*Clause agreed to.*

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Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Not called* 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;”

*Clause agreed to.*

*Clause 5 agreed to.*

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Stephen Kinnock  
Chi Onwurah  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negated on division* 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.”

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negated on division* 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.”

**National Security and Investment Bill, *continued***

Stephen Flynn  
Peter Grant

*Withdrawn after debate* 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.”

*Clause agreed to.*

*Clause 7 agreed to.*

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Stephen Kinnock  
Chi Onwurah  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negated on division* 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.”

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Not called* 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.”

Chi Onwurah  
Stephen Kinnock  
Sam Tarry  
Matt Western  
Dr Alan Whitehead

*Negated on division* 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.”

Stephen Flynn  
Peter Grant

*Negated on division* 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.

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**National Security and Investment Bill, *continued***

- (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."

*Clause agreed to.*

*Clauses 9 and 10 agreed to.*

*Schedule 1 agreed to.*

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[Adjourned until Thursday at 11.30 am