

Sanctions and Anti-Money Laundering Bill [HL]

COMMONS AMENDMENTS

[The page and line references are to Bill 157, the Bill as first printed for the Commons]

Clause 1

- 1 Page 2, line 10, 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,”
- 2 Page 2, line 11, leave out “and human rights”
- 3 Page 2, line 15, leave out “human rights,”
- 4 Page 2, line 37, after “to” insert “17, (*Enforcement: goods etc on ships*), (*Goods etc on ships: non-UK conduct*) and”
- 5 Page 2, line 37, 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.”
- 6 Page 3, line 2, after first “to” insert “(e), (ea) and (f) to”
- 7 Page 3, line 2, leave out “(d)” and insert “(h)”

Clause 2

- 8 Page 3, line 25, after “to” insert “(e), (ea) and (f) to”

Clause 17

9 Page 16, line 12, at end insert—

- “() Regulations—
- (a) may create criminal offences for the purposes of the enforcement of prohibitions or requirements mentioned in subsection (2)(a) or (b) or for the purposes of preventing such prohibitions or requirements from being circumvented, and
 - (b) may include provision dealing with matters relating to any offences created for such purposes by regulations (including provision that creates defences).
- () Regulations may not provide for an offence under regulations to be punishable with imprisonment for a period exceeding—
- (a) in the case of conviction on indictment, 10 years;
 - (b) in the case of summary conviction—
 - (i) in relation to England and Wales, 12 months or, in relation to offences committed before section 154(1) of the Criminal Justice Act 2003 comes into force, 6 months;
 - (ii) in relation to Scotland, 12 months;
 - (iii) in relation to Northern Ireland, 6 months.”

After Clause 17

10 Insert the following new Clause—

“Report in respect of offences in regulations

- (1) In this section “relevant regulations” means regulations under section 1 which create any offence for the purposes of—
 - (a) the enforcement of any prohibitions or requirements imposed by or under regulations under section 1, or
 - (b) preventing any such prohibitions or requirements from being circumvented.
- (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 prohibitions or requirements to which those offences relate,
 - (b) states that the Minister considers that there are good reasons for those prohibitions or 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) Subsection (4) applies where an offence created by the regulations relates to a particular prohibition or requirement and the Minister considers that a good reason—
 - (a) for that prohibition or requirement to be enforceable by criminal proceedings, or

- (b) for a particular maximum term of imprisonment to apply to that offence,
is consistency with another enactment relating to the enforcement of a similar prohibition or requirement.
- (4) The report must identify that other enactment.
- (5) In subsection (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 subsection (2) “the required time” means—
 - (a) in the case of regulations contained in a statutory instrument which is laid before Parliament after being made, the same time as the instrument is laid before Parliament;
 - (b) in the case of regulations contained in a statutory instrument a draft of which is laid before Parliament, the same time as the draft is laid.
- (7) This section applies to regulations which amend other regulations under section 1 so as to create an offence as it applies to regulations which otherwise create an offence.”

11 Insert the following new 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;
 - (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,

- (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.”

12 Insert the following new 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 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 18 (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 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”.

Clause 18

13 Page 17, line 13, 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*).”

Clause 27

14 Page 21, line 5, after “to” insert “(e), (ea) and (f) to”

15 Page 21, line 5, leave out “(d)” and insert “(h)”

After Clause 27

16 Insert the following new 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 –
 - (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.”

17 Insert the following new 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,
 - (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.”

Before Clause 36

18 Insert the following new 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;
 - (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).”

Clause 39

19 Page 30, line 24, after “to” insert “(e), (ea) and (f) to”

20 Page 30, line 24, leave out “(d)” and insert “(h)”

Clause 43

21 Page 33, line 13, leave out subsection (2)

After Clause 44

22 Insert the following new 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 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.”

Clause 46

23 Page 34, line 25, at end insert –

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

Clause 47

24 Page 34, line 38, leave out subsection (3) and insert –

- “(3) Regulations under section 1 may amend the definition of “terrorist financing” in section 43(4) so as to remove any reference to a provision of regulations that is revoked by regulations under section 1.

- (3A) Regulations under section 1 may amend the definition of “terrorist financing” in section 43(4) so as to add a reference to a provision of regulations under section 1 that contains an offence, but only if –
- (a) each purpose of the regulations containing the offence, as stated under section 1(3), is compliance with a UN obligation or other international obligation, or
 - (b) paragraph (a) does not apply but the report under section 2 in respect of the regulations containing the offence indicates that, in the opinion of the appropriate Minister making those regulations, the carrying out of a purpose stated in those regulations under section 1(3) would further the prevention of terrorism in the United Kingdom or elsewhere.”

After Clause 49

25 Insert the following new Clause –

“Duties to lay certain reports before Parliament: further provision

- (1) In this section “a reporting provision” means section 2(4), (*Report in respect of offences in regulations*)(2) or 40(2) or paragraph 20A(2) of Schedule 2 (duties to lay before Parliament certain reports relating to regulations).
- (2) Where more than one reporting provision applies in relation to particular regulations under section 1, the reports to which those provisions relate may be contained in a single document.
- (3) If a reporting provision is not complied with, the appropriate Minister who should have complied with that provision must publish a written statement explaining why that Minister failed to comply with it.
- (4) Subsection (5) applies where a reporting provision applies and –
 - (a) a statutory instrument containing the regulations concerned, or
 - (b) a draft of such an instrument,
 is laid before the House of Commons and House of Lords on different days.
- (5) Where this subsection applies, the reporting provision in question is to be read as requiring the laying of a copy of the report to which that provision relates –
 - (a) before the House of Commons at the time the instrument or draft mentioned in subsection (4) is laid before the House of Commons, and
 - (b) before the House of Lords at the time that instrument or draft is laid before the House of Lords.”

26 Insert the following new 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.”

Clause 54

- 27 Page 41, line 7, after first “1”, insert “, section (*Public registers of beneficial ownership of companies registered in British Overseas Territories*)”

Clause 55

- 28 Page 41, line 31, at end insert –
 “() section (*Periodic reports on exercise of power to make regulations under section 1*);”

Clause 56

- 29 Page 42, line 3, leave out subsection (2)

Schedule 1

- 30 Page 49, 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.”

Schedule 2

- 31 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.”

32 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
 - (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.”

33 Page 54, line 34, leave out paragraphs (a) and (b) and insert—

- “(a) 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;
 - (b) amend or revoke any retained money laundering Regulations.
- (1A) 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 terrorist financing by virtue of Article 290 or 291(2) of the Treaty on the Functioning of the European Union.”

34 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.”

Sanctions and Anti-Money Laundering Bill [HL]

COMMONS AMENDMENTS

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