

Economic Crime and Corporate Transparency Bill

SEVENTH
MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

The amendments have been marshalled in accordance with the Instruction of 8th February 2023, as follows –

Clauses 1 to 50	Clauses 148 to 167
Schedule 1	Schedule 6
Clauses 51 and 52	Clause 168
Schedule 2	Schedule 7
Clauses 53 to 92	Clause 169
Schedule 3	Schedule 8
Clauses 93 to 108	Clauses 170 to 180
Schedule 4	Schedule 9
Clauses 109 to 147	Clauses 181 to 192
Schedule 5	Title.

[Amendments marked ★ are new or have been altered]

**Amendment
No.**

After Clause 187

LORD COAKER

106D

Insert the following new Clause –

“Compensation for victims of economic crime

- (1) The Secretary of State must, within the period of 180 days beginning with the day on which this Act is passed, publish and lay before Parliament a strategy for the potential establishment of a fund for the compensation of victims of economic crime.
- (2) Any such fund must comprise the proceeds of property recovered under the Proceeds of Crime Act 2002 in relation to economic crime.”

Member’s explanatory statement

This new Clause would require the Secretary of State to prepare and publish a strategy on the potential establishment of a fund to provide compensation to victims of economic crime within 180 days of this Act being passed.

BARONESS ALTMANN
LORD COAKER

106E Insert the following new Clause –

“Economic crime fund

- (1) The Secretary of State must establish a fund for the purposes of tackling economic crime.
- (2) Section 1063 (fees payable to registrar) of the Companies Act 2006 is amended in accordance with subsections (3) to (5).
- (3) Before subsection (1) insert –
 - “(A1) The registrar must charge a fee of at least £100 for the incorporation of a company, for the purpose of providing for a fund to aid in tackling economic crime.
 - (B1) The Secretary of State must once a year consider amending the fee in subsection (A1) to reflect inflation.”
- (4) In subsection (1) –
 - (a) after “fees” insert “other than the fee in subsection (A1)”;
 - (b) in paragraph (a), after “functions” insert “other than the incorporation of a company”.
- (5) In subsection (5), in paragraphs (a) and (b) after “regulations” insert “or subsection (A1)”.
- (6) In section 1132A(6), omit “Consolidated Fund” and insert “economic crime fund established under section (*Economic crime fund*) of the Economic Crime and Corporate Transparency Act 2023”.

LORD COAKER

106EA Insert the following new Clause –

“Report on the economic crime investigation and prosecution framework

- (1) Within one year of this Act being passed, the Secretary of State must publish a report on economic crime and investigation, as outlined in subsection (2).
- (2) This report must include –
 - (a) an assessment of the current performance of the framework for investigating, prosecuting and convicting economic crime,
 - (b) an assessment of the roles and performances of the Serious Fraud Office, the National Crime Agency, the Crown Prosecution Service, police forces across the UK, including the City of London police, and other relevant Government departments and agencies that work on investigation and prosecution of economic crime,
 - (c) an assessment of the resourcing and staffing of departments and agencies (or units within departments and agencies) involved in economic crime investigation and prosecution,
 - (d) an assessment of the number of investigations, arrests, prosecutions, and convictions for economic crime in the UK, and
 - (e) a strategy for the use of fees charged and penalties imposed by the registrar for the purpose of tackling economic crime.
- (3) This report must be laid before each House of Parliament within one year of the passing of this Act.”

Member's explanatory statement

This probing amendment requires the Secretary of State to report on the current performance of Government agencies and departments in investigating, prosecuting and convicting economic crime and to report on a strategy to use penalties and fees from the registrar to tackle economic crime.

106EB Insert the following new Clause—

“Report on the Serious Fraud Office

- (1) The Secretary of State must report to Parliament on the ability of the Serious Fraud Office to carry out its role and remit as an investigator and prosecutor of serious or complex cases of fraud, bribery and corruption.
- (2) The report must include an assessment of the resourcing and staffing of its work to counter economic crime.
- (3) The report must include the number of investigations, arrests, prosecutions and convictions brought about by the Serious Fraud Office in the previous year or since the previous report.
- (4) The report must make a recommendation as to what measures should be taken to improve the performance of the Serious Fraud Office with respect to its role and remit.
- (5) This report must be laid before each House of Parliament within one year of the passing of this Act.”

Member's explanatory statement

This probing amendment requires the Secretary of State to report on the current performance of the Serious Fraud Office and recommend any changes deemed necessary to improve its performance.

BARONESS KRAMER

106EC Insert the following new Clause—

“Register of beneficial ownership: freeports

Each Freeport Governance Body required—

- (a) to undertake reasonable efforts to verify the beneficial owner of businesses operating within the Freeport tax site, and
- (b) to make this information available to the Commissioners for His Majesty's Revenue and Customs, law enforcement agencies and other public bodies

must also register this information with the registrar for public inspection.”

Member's explanatory statement

This amendment would require governing bodies of freeports to make the information they are required to collect about beneficial ownership of companies operating within the freeport available to the public.

106ED Insert the following new Clause—

“Register of beneficial ownership: Investment Zones

A governance body of an Investment Zone must—

After Clause 187 - continued

- (a) undertake reasonable efforts to verify the beneficial owner of businesses operating within the Investment Zone,
- (b) make any information obtained under paragraph (a) available to the Commissioners for His Majesty's Revenue and Customs, law enforcement agencies and other public bodies, and
- (c) register this information with the registrar for public inspection."

Member's explanatory statement

This amendment would require governance bodies of the Government's Investment Zones to take steps to verify information about the beneficial owners of businesses operating within the Investment Zones, and to make this information available to HMRC, law enforcement and the public.

Clause 189**LORD SHARPE OF EPSOM**

106F Page 173, line 21, after "Regulations" insert "made by the Secretary of State"

Member's explanatory statement

This amendment is consequential on new clause (Fraud offences: supplementary) and ensures that the requirement that regulations under the Bill must be made by statutory instrument only applies to regulations made by the Secretary of State.

106G Page 173, line 21, at end insert –

“(2A) For regulations made under this Act by the Scottish Ministers, see section 27 of the Interpretation and Legislative Reform (Scotland) Act 2010 (asp 10) (Scottish statutory instruments).

(2B) Any power of the Department of Justice in Northern Ireland to make regulations under this Act is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)).”

Member's explanatory statement

This amendment is about the classification of certain instruments made by the Scottish Ministers or the Department of Justice in Northern Ireland.

106H Page 173, line 33, at end insert –

“(ea) regulations made by the Secretary of State under section (Fraud offences: supplementary) (1);

(eb) regulations under section (Section (Failure to prevent fraud): large organisations) (5) or (6);”

Member's explanatory statement

This amendment provides for regulations under the specified powers to be subject to affirmative procedure.

LORD JOHNSON OF LAINSTON

107 Page 173, line 37, at end insert –

“(4A) But subsection (4) does not apply to a statutory instrument that only contains regulations appointing the appointed day for the purposes of section 51.”

Member’s explanatory statement

This amendment ensures that the regulation-making power to specify an appointed day for the purposes of Clause 51 is not subject to any procedural requirements since it is similar to a commencement power.

LORD SHARPE OF EPSOM

107A Page 173, line 37, at end insert –

“(4A) Regulations made by the Scottish Ministers under section (*Fraud offences: supplementary*) (1) are subject to the affirmative procedure (see section 29 of the Interpretation and Legislative Reform (Scotland) Act 2010 (asp 10)).

(4B) Regulations made by the Department of Justice in Northern Ireland under section (*Fraud offences: supplementary*) (1) may not be made unless a draft of the regulations has been laid before, and approved by a resolution of, the Northern Ireland Assembly.”

Member’s explanatory statement

*This amendment is consequential on new clause (*Fraud offences: supplementary*), which confers new powers to make regulations on the Scottish Ministers and the Northern Ireland Department.*

107B Page 173, line 38, leave out “section 191” and insert “sections (*Commencement*) and (*Transitional provision*)”

Member’s explanatory statement

This amendment is consequential on the amendments in the name of Lord Sharpe of Epsom that leave out Clause 191 and insert new Clauses in relation to commencement and transitional provision.

Clause 190LORD WALLACE OF SALTIRE
BARONESS BENNETT OF MANOR CASTLE

108 Page 174, line 2, at end insert –

- “(3) This Act extends to –
- (a) the Channel Islands,
 - (b) the Isle of Man, and
 - (c) the British overseas territories.”

Clause 191

LORD SHARPE OF EPSOM

109 Leave out Clause 191 and insert the following new Clause—

“Commencement

- (1) Except as provided by subsections (2) to (5), this Act comes into force on such day as the Secretary of State may by regulations made by statutory instrument appoint.
- (2) The following come into force on the day on which this Act is passed—
 - (a) this Part;
 - (b) any provision of, or amendment made by, Parts 1 to 5 so far as it confers a power to make regulations or relates to the exercise of the power;
 - (c) paragraph 1 of Schedule 7 so far as it inserts section 303Z25 into the Proceeds of Crime Act 2002;
 - (d) paragraph 16 of Schedule 7 so far as it relates to that section;
 - (e) section 168 so far as it relates to the provisions mentioned in paragraphs (c) and (d);
 - (f) section 170;
 - (g) section (*Money laundering: offences of failing to disclose*);
 - (h) section 172(12) and (13);
 - (i) section 173(13) and (14).
- (3) Section 187 comes into force at the end of the period of 2 months beginning with the day on which this Act is passed.
- (4) The following come into force (so far as not brought into force by subsection (2)(b)) on such day as the Scottish Ministers may by regulations appoint after consulting the Secretary of State—
 - (a) Part 2 of Schedule 6, and
 - (b) section 167 so far as it relates to that Part.
- (5) The following come into force (so far as not brought into force by subsection (2)(b)) on such day as the Department of Justice in Northern Ireland may by order appoint after consulting the Secretary of State—
 - (a) Part 3 of Schedule 6, and
 - (b) section 167 so far as it relates to that Part.
- (6) No regulations may be made under subsection (1) bringing into force any of the following provisions, so far as they extend to Scotland, unless the Secretary of State has consulted the Scottish Ministers—
 - (a) Schedule 7, and
 - (b) section 168 so far as it relates to that Schedule.
- (7) No regulations may be made under subsection (1) bringing into force any of the following provisions, so far as they extend to Northern Ireland, unless the Secretary of State has consulted the Department of Justice in Northern Ireland—
 - (a) Schedule 7, other than paragraphs 6(7), 10 and 11, and
 - (b) section 168 so far as it relates to that Schedule, other than paragraphs 6(7), 10 and 11.

Clause 191 - continued

- (8) No regulations may be made under subsection (1) bringing into force section (*Failure to prevent fraud*) unless the Secretary of State has published guidance under section (*Guidance about preventing fraud offences*)(3).
- (9) Regulations under subsection (1) or (4), and orders subsection (5), may appoint different days for –
 - (a) different purposes, and
 - (b) where regulations under subsection (1) appoint a day for the coming into force of any provision of Schedule 7 or 8, different areas.
- (10) A power of the Department of Justice in Northern Ireland to make an order under subsection (5) is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)).”

Member’s explanatory statement

This amendment leaves out Clause 191 and inserts a replacement commencement Clause that provides for additional provisions to come into force at Royal Assent and for consultation requirements to apply in relation to certain cryptoasset provisions. See also the new transitional provision Clause to be inserted after Clause 191.

After Clause 191

LORD SHARPE OF EPSOM

110 Insert the following new Clause –

“Transitional provision

- (1) The Secretary of State may by regulations made by statutory instrument make transitional or saving provision in connection with the coming into force of any provision of this Act, other than a provision mentioned in section (*Commencement*) (4) or (5).
- (2) The Scottish Ministers may by regulations make transitional or saving provision in connection with the coming into force of a provision mentioned in section (*Commencement*) (4).
- (3) The Department of Justice in Northern Ireland may by order make transitional or saving provision in connection with the coming into force of a provision mentioned in section (*Commencement*) (5).
- (4) The power to make regulations under subsection (1) or (2), and the power to make orders under subsection (3), includes power to make different provision for –
 - (a) different purposes, and
 - (b) where regulations under subsection (1) make provision in connection with the coming into force of any provision of Schedule 7 or 8, different areas.
- (5) Transitional provision and savings made under subsections (1) to (3) are additional, and without prejudice, to those made by or under any other provision of this Act.

After Clause 191 - continued

- (6) A power of the Department of Justice in Northern Ireland to make an order under subsection (3) is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)).”

Member’s explanatory statement

This new Clause contains the powers to make transitional provision that were previously in Clause 191. It also includes additional powers for the Scottish Ministers and the Department of Justice in Northern Ireland to make transitional provision and savings in connection with the coming into force of certain cryptoasset provisions.

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9 May 2023
