

Policy statement on draft regulations for the Foreign Influence Registration Scheme

Provided to Support Lords Report Scrutiny

Introduction

1. The Foreign Influence Registration Scheme (FIRS) is designed to bring greater transparency to political influence in the UK, strengthen the integrity of UK politics and institutions and protect the UK from state threats.
2. The enhanced tier of the scheme (currently clauses 64-67 of the National Security Bill) aims to provide greater assurance around the activities of specified foreign powers or entities and increase the risk to those who engage in covert activities for, or on behalf of, specified foreign powers. It requires those in arrangements with specified foreign powers or entities under foreign power control to carry out activities in the UK, to register those arrangements, and for specified persons who are not foreign powers to register their own activities.
3. The political influence tier of the scheme as amended by the Government at Lords Report stage (currently clauses 68-72 of the National Security Bill) will enable the UK public and our democratic institutions to be better informed as to the scale and extent of foreign influence in our political affairs. We are narrowing the scope of the tier through Government amendments so that is focused on activities which are carried out on behalf of a foreign power, rather than by or on behalf of any foreign entity. In its new form, the tier sets out requirements for those arranging, or carrying out, political influence activities on behalf of foreign powers to register these activities.
4. References in this policy statement to clause numbers relate to the National Security Bill print of 18 January 2023 (as amended in House of Lords Committee stage).
5. A scheme management unit, expected to sit within the Home Office, will be established to implement and administer the scheme. The unit will have the following core functions:
 - administration of the scheme; this includes processing registrants and their information; publication of the scheme information and running of the dedicated online webpage and registration portal;
 - engaging with members of the public; for example supporting understanding of registration requirements and publishing guidance to assist compliance; and
 - issuing information notices to determine a person's registration status; where it is considered that a criminal offence may have taken place, the relevant information and evidence will be passed on to law enforcement.
6. The Bill confers a number of delegated powers on the Secretary of State to set out in regulations further details on how the scheme will work in practice. Alongside this policy statement, we have published draft regulations in relation to two of these powers.
7. This statement is intended to set out the Government's intent when using the remaining delegated powers conferred under the FIRS scheme. It also provides further details as to how we expect the scheme to work in practice, including matters which will be set out in guidance to assist compliance.

Clause 65: Power to specify foreign powers and foreign-power controlled entity

8. Clause 65(1) provides the Secretary of State with a power to apply the enhanced regime to particular foreign powers and foreign power-controlled entities by specifying them in regulations. This power is available where the Secretary of State considers it reasonably necessary to do so to protect the safety or interests of the UK.
9. Clause 65(5) and relevant Government amendments allows that the regulations can apply with modifications to allow for circumstances where, for example, it would be more proportionate to require the registration of arrangements relating to a more limited range of activities which are to be carried out, or arranged to be carried out, within the UK at the direction of the specified person.
10. The use of the power will be considered on a case-by-case basis, having taken on board relevant advice and assessments.
11. Regulations made in relation to this power will be subject to the affirmative procedure in Parliament.

Clause 74(1) and (5) and related government amendments: Power to make provision about the information to be provided to the Secretary of State during registration

12. The draft regulations published alongside this statement set out the information that we intend to include in regulations made under this power. Annex A of this statement also includes a draft registration form for the enhanced tier and Annex B includes a draft registration form for the political influence tier. These outline examples of the information that will need to be provided at registration under the scheme.
13. The information required from a registrant will depend on the exact circumstances of the arrangement and/or activities, however it will include a description of the activities to be undertaken including their nature, purpose and any sought outcomes, details of the start and end dates of the activities, a description of the frequency of the activities, details of the individuals or entities carrying out these activities and details of the specified person or foreign power to whom the activity is related. Where activity has already taken place at the point of registration, further detail of the dates on which the activity occurred will be required.
14. Registrations under both tiers will also require details of the registrant or the entity that they are registering for and their contact details.
15. Regulations will not require the registration of every individual communication made under a registerable arrangement or as part of a series of registerable activities; we intend that the portal design will allow for a set of activities under a single arrangement to be registered together and will endeavour to make the process as efficient as possible for registrants.

Clause 74(4): Power to make provision about the information to be provided to the Secretary of State when there is a material change to a matter required to be registered

16. Clause 74(3) of the Bill provides that where there is a material change to the circumstances of an arrangement or activity that has been registered, the registrant must notify the Secretary of State within 16 days of the change taking effect. This will apply in relation to registrations under both the enhanced and political influence tiers of FIRS.

17. The information required in such circumstances would depend on the nature of the change, as outlined below:

- In the case of a new form of the arrangement (as described in paragraph 19): a description of the new form of the agreement
- In the case of a new activity to be carried out: a description of the new activity, including its nature and purpose
- In the case of a new purpose for an existing activity: a description of the new purpose for the activity
- In the case of a new type of person becoming the target of communication: a description of the new type of person to whom communication is targeted
- In the case of a new person (“P” as defined in clause 64(1) or 68(1)) carrying out the activity or arranging for it to be carried out: the name and contact details of the new person.

18. Regulations made in relation to this power under clause 74(4) will be subject to the negative resolution procedure in Parliament.

Other matters relevant to this delegated power

19. We will make clear in guidance that we consider the following circumstances to constitute a “material change” of circumstance:

- A change in the form of the arrangement, for example where an informal quid pro quo arrangement is formalised through a contract.
- In relation to the enhanced tier, where a new type of activity is carried out. For example, where a registered activity originally related to collaboration on a research project, but subsequently evolved to include public communication activities.
- In relation to the political influence tier, where a new category of activity (within clause 70(2)) is being carried out. For example, where a registered arrangement originally only related to communication activities, but subsequent disbursement activities were carried out.
- In relation to communication activities within the political influence tier, where a new category of person (within Schedule 14) becomes the target of communication. For example, where communication activities were originally made only to members of Parliament but subsequently were made to special advisers. This would not apply where the subsequent communication was made to another individual belonging to the same category as the individual with whom communication was already registered (for example, if communication to a senior official was registered, communication to a separate senior official on the same issues would not constitute a material change). Individuals will be able to register communications with multiple categories of persons in their initial registration and only where a new category is later added will an update be required to registration.
- In relation to the political influence tier, a change in the topic of the activities. For example, where registered communication activities related specifically to an individual piece of legislation, but subsequently evolved to include a different area of policy.
- A change in the person (P) (as defined in clause 64(1) or 68(1)) who would carry out the activity pursuant to a registered arrangement, or arrange for it to be carried out.
- A change in the anticipated start or end date of activities.
- An end to the activity or arrangement.

Clause 75(6): Power to make provision about the minimum period between the date on which an information notice may be given and the date by which information must be supplied, other matters specified in the notice and the cancellation of notices.

20. Clause 75 provides powers to the Secretary of State to give an information notice if certain conditions are met. On receipt of an information notice, the person will be required to provide the information requested within the specified timeframe. Failure to do so, without a reasonable excuse, will be an offence. This applies in relation to both the enhanced and political influence tiers of FIRS.
21. Regulations will set out that the minimum period between the date on which an information notice is issued and the date by which a response must be supplied will be **5 working days** from the date of deemed service. This period may be necessary in situations where there is a perceived risk to national security and where the information provided within the specified time could enable a disruption to such threat. We anticipate that most information notices will have a longer response time.
22. Clause 75(4) already sets out that information notices must specify the form in which the information required must be provided and the date by which a response is required. Regulations will set out that the following “other matters” may be specified in an information notice:
 - **In relation to a registered arrangement:** Evidence of the arrangement (including correspondence or a formal contract), information about the parties of the arrangement, or further information relating to activity to be carried out (including financial statements, correspondence, meeting/event invitations or agendas).
 - **In relation to an unregistered arrangement which the Secretary of State reasonably believes ought to be registered:** Evidence of the arrangement (including correspondence or a formal contract), information about the parties of the arrangement, further information relating to activity to be carried out (including financial statements, correspondence, meeting/event invitations or agendas) or evidence of exemption status.
 - **In relation to a registered activity:** Further information relating to activity to be carried out (including financial statements, correspondence, meeting/event invitations or agendas).
 - **In relation to an unregistered activity which the Secretary of State reasonably believed ought to be registered:** Further information relating to activity to be carried out (including financial statements, correspondence, meeting/event invitations or agendas) or evidence of exemption status.
23. There are limited circumstances whereby the Secretary of State may cancel an information notice, including the following:
 - Where the subject of the information notice has written to the scheme management unit demonstrating that it is exempt from the requirements;
 - Where the scheme management unit obtains or is provided the information required in the information notice through a different means;
 - Where the information notice has been issued in error.

24. Any decision to cancel an information notice will be made by the scheme management unit on a case-by-case basis and information notices will not automatically be cancelled in the above circumstances. The provision to cancel an information notice is intended to remove requirements on businesses and the public where activities or arrangements are already transparent, not to provide a loophole for those seeking to exercise covert influence.
25. Regulations made in relation to this power will be subject to the negative resolution procedure in Parliament.

Other matters relevant to this delegated power

26. We anticipate that most information notices will be issued in situations where it is believed that an arrangement or an activity is unregistered, where it is believed that false information has been provided at registration, or where information is deemed to be missing or insufficient detail has been provided. The issue of information notices in these circumstances will be an important tool in enabling the Government to achieve the transparency objectives of the scheme and disrupt covert activity posing a threat to national security.
27. The requirements of any information notice issued in accordance with clause 75, including the date by which a response is required, will be considered on a case-by-case basis by the scheme management unit. Such requirements are likely to depend on the nature of the arrangement and activities, the complexity of the information required and any perceived threat to national security.

Clause 79: Power to make provision about the publication of information provided to the Secretary of State.

28. The draft regulations published alongside this policy statement set out the information that will be published under the scheme.
29. Regulations will set out that information registered under the political influence tier will be published within a set number of days. We anticipate that publication of the register will be largely automated and we will determine the precise time-frame for publication alongside the building of the online registration portal.
30. We intend that information will remain on the public register until one year after the arrangements or activities are concluded, or one year after the Secretary of State has been notified that they have ceased, subject to the final design of the scheme.
31. Annex C contains an example of information that will appear on the publicly-available register, based on the information provided in the example registration in Annex B. Information that will be published will include the name of “P” (in the case of a foreign influence arrangement), the name of the foreign power for whom activities are carried out, details of the start and end dates of the activities, details of the persons who will carry out the activities and details of the nature, purpose and sought outcomes of the activities.
32. Personal details related to individuals, such as date of birth and address, will be withheld from publication, with the exception of the names of the registrant and the individual carrying out

the activities. Publishing these individuals' name is important to ensure that the scheme achieves its transparency benefits.

33. Information will not be published in any of the following circumstances:

- Where there is a risk that publication would prejudice the national security of the UK
- Where there is a significant risk that publication would put any individual's safety at risk.
- Where publication would involve the disclosure of commercially sensitive information.

34. We are tabling amendments to the Bill in order for regulations made in relation to this power to be subject to the affirmative resolution procedure in Parliament.

Clause 79(1)(b): Power to make provision about the disclosure of information provided to the Secretary of State under part 3

35. The ability to disclose information provided through registration is important as it will provide a framework whereby data can be managed by the scheme management unit as well as shared with other enforcement agencies where necessary.

36. Regulations will set out that information registered under the scheme or collected as part of information notices may be disclosed to a UK public authority or overseas public authority in the following circumstances:

- for the purpose of facilitating the exercise by the Secretary of State of functions as part of the scheme;
- for the prevention or detection of crime;
- for the purposes of a criminal investigation;
- for the purposes of criminal proceedings; or
- for the purpose of protecting national security.

37. Regulations made in relation to this power will be subject to the negative resolution procedure in Parliament.

Other matters relevant to this delegated power

38. The scheme management unit will be the data controller in respect of information registered under the scheme, and as such will be responsible for maintaining a record of any information disclosed, the date of disclosure and the individuals, departments or bodies which have been given access to the information. All information shared will be accompanied with handling instructions outlining how the information is to be protected.

Further delegated powers

39. There are also a number of delegated powers which the Government will make use of where needed based on the evolving national security threat from state threat actors, as well as ongoing reviews of the implementation and enforcement of the scheme. These powers are as follows:

- Schedule 14 paragraph 27(1): regulations specifying a person within a description of persons exercising public functions. This power will allow the scheme to adapt to trends and behaviours observed in response to the scheme's implementation. For example, foreign powers may seek to target covert lobbying activity at persons exercising functions under the Crown who are not currently listed.

- Clause 65 and paragraph 15 of Schedule 13: power to amend thresholds etc. This power is necessary to allow for amendment, if needed in the future, to take account of different means and structures of control that are not currently covered in paragraph 1 of schedule 13 but which later become apparent are being used by foreign powers to exercise control over entities.
- Clause 73 and Schedule 15: Power to make provision for further cases to which registration requirements or prohibitions under Part 3 do not apply. This power will ensure that where further exemptions are needed, these can be added in a timely manner while still enabling Parliamentary scrutiny.

40. Further detail of the context, purpose and justification for these powers can be found in the [Delegated Powers Memorandum](#).

Guidance on compliance

41. Alongside providing detail of requirements of the scheme in regulations, in line with the delegated powers in the Bill, the Government will also be producing detailed guidance to assist compliance with the scheme. We will be engaging with stakeholders and experts from across Government and industry to ensure that parties have clarity and assistance in understanding the regime. To this effect, we will be seeking to establish a panel of interested parties to ensure early input from those who will be affected by the scheme, which will ensure that the registration process works efficiently and ensure that the requirements of the scheme are proportionate.

Annex A: Example of a completed registration form (enhanced tier)

Question 1: Please provide the name of the specified entity by whom you are being directed to carry out or arrange activities in the UK

XYZ Communication & Cyber Equipment Co Ltd

Question 2: Please provide a description of the form and nature of the arrangement (for example, a contract or a verbal agreement).

Verbal agreement

Question 3: Please provide the date on which you were directed by the specified person (for example, the date on which you entered into the arrangement with the specified person)

01/02/2023

Question 4: Please provide a description of the registerable activities being undertaken pursuant to the arrangement.

Marketing of telecommunication products

Question 5: Please state the purpose of these activities

To advertise telecommunication products to UK businesses

Question 6: Please state the desired outcome of these activities

To secure contracts for the supply of telecommunication products to UK businesses

Question 7: Please outline which of the following statements applies:

- I will carry out the activities described myself
- I will arrange for other persons to carry out the activities.

Question 8: Please provide the names of the individuals who will carry out the activities. Where it is not possible to provide their names, please outline a description of the individuals who will carry out the activity and their roles (for example, employees of Company X communication unit)

Sam Butterworth

Question 9: Please outline the relationship between you and the persons who will carry out the activities

Subcontractor

Question 10: Please provide the anticipated start and end dates of the activities.

Anticipated start date: 01/03/2023

Anticipated end date: 31/04/2023

Question 11: Please state the anticipated frequency of the activity

Daily - The activities will be Sam Butterworth's principal activity during the period

Section 2: Contact details

Question 1: Please outline which of the following statements apply:

- I am registering as an individual
- I am registering as a representative of another individual
- I am registering on behalf of a body corporate
- I am registering on behalf of an unincorporated association

Question 2: Please provide your name and any former legal name.

Samantha Smith

Question 3: Please provide your date of birth.

04/01/1990

Question 4: Please state your nationality.

UK national

Question 5: Please provide your passport number and country of issue.

50111111, UK

Question 6: Please provide your residential address.

1 Blue Road, London, SW1F 1AA

Question 7: Please provide your correspondence address.

1 Blue Road, London, SW1F 1AA

Question 8: Please provide your email address.

Samantha.Smith@provider.co.uk

Question 9: Please provide your telephone number.

07111 211211

Annex B: Example of a completed registration form (political influence tier)

Section 1: Details of the arrangement and activities

Question 1: Please outline the foreign power on behalf of whom you are carrying out, or arranging, political influence activities in the UK.

Governing Party of Country X

Question 2: Please provide a description of the form and nature of the arrangement.

An agreement which was initially discussed verbally then formalised in writing via email.

Question 3: Please provide the date on which you were directed by the foreign power.

01/01/2023

Question 4: Please outline which of the following categories of activities you intend to undertake on behalf of the foreign power:

- Communication activities (for example, communications to ministers, members of parliament or members of a political party)
- Public communication activities (for example, the publication of articles or documents)
- Disbursement activities (for example, the provision of money, goods or services).

Question 5: Please provide the names and roles to whom you will make a communication (e.g. Mr John Smith, MP for x constituency).

The Economic Secretary to the Treasury, Members of Parliament, and senior officials responsible for policy area in the Treasury.

Question 6: Please outline the nature of the communication (e.g. emails, followed up with an in-person meeting).

Emails communications to 100 MPs, and follow-up with in-person meetings.

Emails to senior officials.

In person meetings with Economic Secretary to the Treasury and senior officials.

Question 7: Please outline the purpose of the communication.

To propose that sanctions are imposed against x entity.

Question 8: Please outline the desired outcome of the communication.

Sanctions to be imposed against x entity.

Question 9: Please outline which of the following statements applies:

- I will carry out the activities described myself
- I will arrange for other persons to carry out the activities.

Question 10: Please provide the names of the individuals who will carry out the activities. Where it is not possible to provide their names, please outline a description of the individuals who will carry out the activity and their roles (for example, employees of Company X communication unit)

Tom James, Senior Consultant at ABD Finance Consultancy Ltd

Question 11: Please outline the relationship between you and the persons who will carry out the activities

Business contact

Question 12: Please outline if these activities have already taken place.

- **Yes** – These activities have already taken place
- **No** – These activities have not yet taken place

Question 13: Please provide the anticipated start and end dates of the activities.

Anticipated start date:

Anticipated end date:

Question 14: Please state the anticipated frequency of the activity.

I anticipate communication with senior officials will take place monthly. Communications with MPs will be regular throughout the arrangement. The meeting with the Economic Secretary to the Treasury will likely be a one-off event.

Question 15: Please outline if you believe that any of the following circumstances apply.

If any of these conditions are found to be met, the exempted information you have provided will not be published on the public register. A final decision as to whether these conditions are met will be made by the FIRS Scheme Management Unit.

- There is a risk that publication of the information that I have provided would prejudice the national security of the UK
- There is a significant risk that publication of the information that I have provided would put an individual's safety at risk.
- Publication of the information that I have provided would involve the disclosure of commercially sensitive information.
- None of the above circumstances apply

Question 16: Please outline the reason why you believe this is the case and any specific information that would lead to this circumstance applying.

N/A

Section 2: Contact details

Question 1: Please outline which of the following statements apply:

- I am registering as an individual
- I am registering as a representative of another individual
- I am registering on behalf of a body corporate
- I am registering on behalf of an unincorporated association

Question 2: Please provide your name and any former legal name.

Andrew Jones

Question 3: Please provide your date of birth.

12/12/1964

Question 4: Please state your nationality.

UK national

Question 5: Please provide your passport number and country of issue.

50701739, UK

Question 6: Please provide your residential address.

1 High Street, Cardiff, CF10 1AA

Question 7: Please provide your correspondence address.

1 Oak Street, Cardiff, CF10 1AA

Question 8: Please provide your email address.

Andrew.Jones@provider.com

Question 9: Please provide your telephone number.

07111 111111

Annex C: Information to appear on the public register

The below is the information that will appear on the public register, based on the example registration provided in Annex B.

Details of the person (P) being directed by a foreign power

Name and any former legal name	Andrew Jones
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Details of the foreign power directing P

Foreign power	Governing Party of Country X
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Details of the arrangement and activities to be carried out

Description of the form and nature of the arrangement	An agreement which was initially discussed verbally then formalised in writing via email.
Date of direction by the foreign power	01/01/2023
Type of activity to be undertaken pursuant to the arrangement	Communication activities
Names and roles of persons to whom a communication will be made	The Economic Secretary to the Treasury, Members of Parliament, and senior officials responsible for policy area in the Treasury.
Nature of the communication	Emails communications to 100 MPs, and follow-up with in-person meetings. Emails to senior officials. In person meetings with Economic Secretary to the Treasury and senior officials.
Purpose of the communication	To propose that sanctions are imposed against x entity, which poses a national security risk.
Desired outcome of the communication	Sanctions to be imposed against x entity
Names and roles of the persons who will carry out the activities	Tom James, Senior Consultant at ABD Finance Consultancy Ltd
Details of the relationship between you and the persons who will carry out the activities	Business contact
Anticipated start date of the activities	01/02/2023
Anticipated end date of the activities	31/08/2023