

---

## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order makes provision which will require the Electoral Commission (“the Commission”) to make available information about certain donations for political purposes received by Northern Ireland recipients and about certain transactions (“loans”) for political purposes entered into with Northern Ireland participants. It also makes other provision for the purpose of increasing transparency in relation to such donations and loans.

Section 71E(1) and section 71Z4(1) of the Political Parties, Elections and Referendums Act 2000 (c. 41) (“the 2000 Act”), before the amendments made by this Order, prohibit the Commission from disclosing information which relates to a donation received by a Northern Ireland recipient or loan entered into with a Northern Ireland participant, and which has been obtained by the Commission in the exercise of its functions, except in the circumstances set out in those sections. In relation to donations, Article 2 amends section 71E of that Act and, in relation to loans, Article 3 amends section 71Z4 of that Act.

The amendments made by Article 2 mean that the Commission will no longer be prohibited from disclosing information about donations received by a Northern Ireland recipient on or after 1 July 2017. Information will also be published about donations received before 1 July 2017 which are required to be aggregated with a donation received from, or loan entered into with, the same source on or after 1 July 2017. Article 2 also amends section 71E of the 2000 Act to provide that the Commission will not breach the prohibition in section 71E if the donation was received on or after 1 January 2014 but before 1 July 2017, the donation report to the Commission does not state that the donation was received before 1 July 2017 and the person making the disclosure believes that the donation was received on or after 1 July 2017 and is reasonably entitled to hold that belief.

The amendments made by Article 3 make equivalent provision in relation to loans entered into with Northern Ireland participants on or after 1 July 2017. Article 3 also makes additional provision so that information relating to a loan entered into on or after 1 January 2014 but before 1 July 2017 will be published if on or after 1 July 2017 there is a reportable change to that transaction (for example a change in the repayment period), with the exception of a change amounting to the repayment of the whole of the debt under the loan. Article 9 makes amendments to Schedule 7A to the 2000 Act in relation to controlled transactions (where one of the parties to the transaction is a member of a registered party, a members association or the holder of a relevant elective office) which are varied.

Section 149 of the 2000 Act, before the changes made by this Order, prevents the Commission from including in the copy of its register made available to the public information about donations to Northern Ireland recipients and transactions entered into with Northern Ireland participants. Articles 4 and 5 amend section 149 of the 2000 Act and insert a new section 149A into that Act, the effect of which is that information relating to Northern Ireland donations and loans will be included in the register made available for inspection by the Commission, with the exception of copies of Irish passports or other evidence of nationality which are required to be provided in relation to donations and loans from Irish citizens.

Articles 6, 7, 8 and 9 also make amendments relevant to the date of a donation or transaction, principally requiring additional information to be provided in donation and transaction reports.

Articles 10 and 11 amend, respectively, the Political Parties, Elections and Referendums Act (Northern Ireland Political Parties) Order 2007 (S.I. 2007/2501) and the Political Parties, Elections and Referendums Act 2000 (Northern Ireland Political Parties) Order 2008 (S.I. 2008/1737) to

**Draft Legislation:** This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument:  
*The Transparency of Donations and Loans etc. (Northern Ireland Political Parties) Order 2018 No. 328*

ensure that the Commission must take steps, in line with those Orders, to verify information in relation to donations and loans.

To avoid there being different publication dates in relation to donations and loans to a party registered in the Northern Ireland register and donations and loans to regulated donees and regulated participants, Article 12 makes transitional provision so that the Commission must not make available information (that it would be otherwise required to make available by this Order) and that it is not under a duty to publish that information until the first occasion on which, as a result of this Order, it publishes details relating to a donations received, or a transaction entered into, by a party registered in the Northern Ireland Register.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.