Draft Order laid before Parliament under section 156(4)(dd) of the Political Parties, Elections and Referendums Act 2000 (c.41) and article 6(5) of the Electoral Administration Act 2006 (Regulation of Loans etc: Northern Ireland) Order 2008, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2008 No.

POLITICAL PARTIES

The Political Parties, Elections and Referendums Act 2000 (Northern Ireland Political Parties) Order 2008

Made - - - -	*2008*
Coming into force - -	*1st July 2008*

In accordance with section 71Z(4) of the Political Parties, Elections and Referendums Act 2000(**1**)("the 2000 Act") and article 6(1) of the Electoral Administration Act 2006 (Regulation of Loans etc: Northern Ireland) Order 2008(**2**)("the 2008 Order"), the Electoral Commission has been consulted prior to making this Order.

A draft of this Order has been laid before Parliament under section 156(4)(dd) of the 2000 Act(**3**) and article 6(5) of the 2008 Order and has been approved by a resolution of each House of Parliament.

The Secretary of State is satisfied that the condition in section 71Z1(2)(**4**) is met.

Accordingly, the Secretary of State, in exercise of the powers conferred on him by article 6(1) and (2)(a) of the 2008 Order, and sections 71Z1(1)(a) and (b), 71Z3(1), 71Z4(2)(b) and (4)(**5**) and 156(5) of the 2000 Act, makes the following Order:

(**1**) c.41. Section 71Z was inserted by article 3 of the Electoral Administration Act 2006 (Regulation of Loans etc: Northern Ireland) Order 2008 (S.I.2008/1319)("the 2008 Order").
(**2**) ()Footnote reference of the Order.
(**3**) Section 156(4)(dd) of the 2000 Act was inserted by article 4 of the 2008 Order.
(**4**) Sections 71Z1 was inserted by article 3 of the 2008 Order.
(**5**) Sections 71Z3 and 71Z4 of the 2000 Act were inserted by article 3 of, and article 5 of and the Schedule to, the 2008 Order.

PART I

Citation, commencement and interpretation

Citation and commencement

1. This Order may be cited as the Political Parties, Elections and Referendums Act 2000 (Northern Ireland Political Parties) Order 2008 and shall come into force on 1st July 2008.

Interpretation

2. In this Order—

"the 2000 Act" means the Political Parties, Elections and Referendums Act 2000;

"individual participant" means an individual who is an authorised participant by virtue of—

(a) section 71H(3) of the 2000 Act(**6**), or

(b) section 71Z1(1)(a) of that Act (Irish citizen entering into a regulated transaction with a Northern Ireland participant);

"Northern Ireland participant" has the meaning given in section 71Z of the 2000 Act;

"Northern Ireland report" means a report to the Commission which is prepared by a Northern Ireland participant and contains, or purports to contain, information required to be given by Schedule 6A or 7A to the 2000 Act, but does not include a report required to be prepared by virtue of section 71Q of that Act(**7**);

"prescribed bodies" has the meaning given by article 4(2);

"recordable transaction", other than in Schedule 1, means a transaction which is required to be recorded in a Northern Ireland report;

"reporting period" has the meaning given by section 71M(3) of the 2000 Act(**8**) in relation to reports prepared pursuant to that section but, in relation to reports which contain, or purport to contain, information required to be given pursuant to Schedule 7A to the 2000 Act, it means each month; and

"selected Northern Ireland transaction" means a recordable transaction involving a Northern Ireland participant which is selected by the Commission for verification under article 8.

PART II

Extension of categories of authorised participants in relation to Northern Ireland participants

Irish citizens as authorised participants

3. For the purposes of section 71Z1(1)(a) of the 2000 Act, the prescribed condition in relation to an Irish citizen is that at the time he enters into a regulated transaction or controlled transaction relating to a Northern Ireland participant he must be eligible to obtain one of the following documents —

(**6**) Section 71H was inserted by section 61 of the Electoral Administration Act 2006 (c.22)("the EA Act") and provides that an authorised participant is a person who is a permissible donor within the meaning of section 54(2) of the 2000 Act.
(**7**) Section 71Q and Schedule 6A were inserted by section 61 of the EA Act and Schedule 7A was inserted by Part 6 of Schedule 1 to that Act.
(**8**) Section 71M was inserted by section 61 of the EA Act.

(a) an Irish passport;

(b) a certificate of nationality; or

(c) a certificate of naturalisation.

Irish bodies as authorised participants

4.—(1) The description or category of body prescribed, for the purposes of section 71Z1(1)(b) of the 2000 Act, is any of the bodies set out in paragraph (2) which keeps an office in Ireland or Northern Ireland being an office from which the carrying on of one or more of its principal activities is directed.

(2) The prescribed bodies are—

(a) a company—

(i) appearing on the Register of Companies of Ireland; and

(ii) incorporated within Ireland or another member State;

(b) a political party appearing on the Register of Political Parties of Ireland;

(c) a trade union registered by the Registrar of Friendly Societies of Ireland;

(d) a building society registered by the Central Bank and Financial Services Authority of Ireland;

(e) a limited liability partnership registered by the Registrar of Companies of Ireland;

(f) a friendly society or industrial and provident society registered by the Registrar of Friendly Societies of Ireland; and

(g) any unincorporated association of two or more persons which does not fall within any of the preceding paragraphs but which carries on business or other activities wholly or mainly in Ireland and whose main office is there.

Northern Ireland reports

5. Schedule 1 (which amends the 2000 Act in connection with the recording of transactions to which Northern Ireland participants are a party) has effect.

Minor and consequential amendments

6. Schedule 2 (minor and consequential amendments) has effect.

PART III

Duty of the Commission during the prescribed period

Steps to be taken by the Commission for the purpose of verifying information given in Northern Ireland reports

7. For the purposes of section 71Z3(1) of the 2000 Act the prescribed steps which the Commission must take for the purpose of verifying the information given in Northern Ireland reports during the prescribed period are set out in articles 8 and 9.

Selection of Northern Ireland recordable transactions

8.—(1) In each reporting period, in relation to each Northern Ireland participant who has provided a Northern Ireland report, the Commission must—

(a) select for verification 50 per cent of all recordable transactions to which an individual participant is a party and which have been reported by that Northern Ireland participant in accordance with paragraphs (2) and (3); and

(b) select for verification every recordable transaction to which an individual participant is not a party.

(2) In the case of a Northern Ireland participant who has reported an odd number of recordable transactions to which individual participants are a party during any reporting period, the Commission must determine the number of recordable transactions involving individual participants to be selected for verification by adding one to the number of recordable transactions involving individual participants reported by that Northern Ireland participant and dividing the resulting number by two.

(3) In the case of a Northern Ireland participant who has reported only one recordable transaction to which an individual participant is a party during any reporting period, the Commission must select that transaction for verification.

Verification of recordable transactions involving Northern Ireland participants

9.—(1) The Commission must take the following steps in relation to each selected Northern Ireland transaction.

(2) In relation to a Northern Ireland report made in respect of a selected Northern Ireland transaction, and any documentation provided with it, the Commission must take reasonable steps to ascertain whether—

(a) the information provided in the report in relation to that transaction is accurate; and

(b) any documentation provided with the report in relation to that transaction is genuine.

(3) The steps taken by the Commission under paragraph (2) may include, but are not limited to, contacting a body set out in article 11.

Disclosure of information relating to transactions which are required to be dealt with in accordance with section 71I or 71J of, or paragraph 5 or 6 of Schedule 7A to, the 2000 Act

10. If, after taking the steps prescribed by articles 8 and 9, the Commission believes on reasonable grounds that a transaction recorded in a Northern Ireland report fell to be dealt with under section 71I or 71J of, or paragraph 5 or 6 of Schedule 7A to, the 2000 Act, and that it has not been dealt with in this manner, the Commission must—

(a) write to the Northern Ireland participant who provided the report informing him of the Commission's intention to publish the information in accordance with paragraph (b); and

(b) publish the following information—

(i) the name of the Northern Ireland participant;

(ii) the value of the transaction;

(iii) the date the transaction was entered into;

(iv) whether the parties to the transaction (other than the Northern Ireland participant) are individuals or bodies; and

(v) in the case of a transaction involving a body, the type of body which is a party to the transaction with reference to article 4(2) or section 54(2) of the 2000 Act.