EXPLANATORY MEMORANDUM TO

THE NATIONAL SECURITY ACT 2023 (FOREIGN ACTIVITIES AND FOREIGN INFLUENCE REGISTRATION SCHEME: INFORMATION AND DISCLOSURE) REGULATIONS 2025

2025 No. 408

1. Introduction

1.1 This explanatory memorandum has been prepared by the Home Office and is laid before Parliament by Command of His Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

2.1 Dan Jarvis, Minister of State for Security at the Home Office confirms that this Explanatory Memorandum meets the required standard.

2.2 The Deputy Director of the State Threats Unit at the Home Office confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 The Foreign Influence Registration Scheme policy team email: FIRS@homeoffice.gov.uk can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument sets out the information that will be required at registration under the scheme in Part 4 of the National Security Act 2023 (c. 32) known as "the Foreign Activities and Foreign Influence Registration Scheme". It also sets out the minimum period in which a response to an information notice will be required; the form in which registrants should notify the Secretary of State of a material change to an arrangement; and the grounds under which information provided under the scheme may be disclosed by the Secretary of State.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is the United Kingdom.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is the United Kingdom.

5. Policy Context

What is being done and why?

5.1 The National Security Act 2023 is designed to make the UK a harder target for states who seek to conduct hostile acts against the UK. It ensures the UK law enforcement and intelligence agencies have the modern tools, powers, and protections they need to tackle these threats.

5.2 The Foreign Activities and Foreign Influence Registration Scheme, contained within Part 4 of the National Security Act 2023 ("the 2023 Act"), is one of the measures which will tackle these threats. It has been created following a recommendation by the Intelligence and Security Committee in its 2020 Russia Report.[1] It aims to increase transparency of foreign power influence over UK democracy and provide greater assurance about the activities of specified foreign powers, and specified entities controlled by foreign powers, which pose the greatest risk to the UK. It will do this by requiring individuals or organisations to register with the Secretary of State where they form certain arrangements with foreign powers or carry out certain activities in the UK. This will therefore strengthen the integrity of UK politics and institutions and protect the UK from state threats.

5.3 The scheme itself is split into two parts: the "political influence tier" (sections 69 to 72 of the 2023 Act) and "the enhanced tier" (sections 65 to 68 of that Act). The political influence tier will require individuals or organisations to register where they are directed by a foreign power to carry out, or arrange for others to carry out, political influence activities in the UK. Certain information related to registered arrangements will be included on a public register. This will increase transparency of foreign power influence over UK democracy.

5.4 The enhanced tier of the scheme contains a power enabling the Secretary of State to specify foreign powers, or foreign power-controlled entities, where it is considered necessary to protect the safety or interests of the UK. It can then require those being directed by a specified foreign power, or foreign power-controlled entities, to register activities that they carry out, or arrange for others to carry out, in the UK. It can also require specified foreign power-controlled entities to register activities which they carry out themselves in the UK. This will provide a greater assurance of the activities of the foreign powers which pose the greatest risk to the UK.

5.5 Those who are required to register need to provide information to the Secretary of State about themselves or their organisation, their arrangement with a foreign power or specified person, and the activities which they are to carry out or arrange in the UK. The specific information which will be required from them at registration is set out in this instrument. The Government is clear that those complying with registration requirements, by being clear and open about whom they represent, are supporting the resilience of the UK and its institutions. As such, the registration process will only require information which is necessary to achieve the transparency objectives of the scheme. The registration process will be straightforward so as to ensure that individuals are not deterred from registering their arrangements.

5.6 We expect that most registrants will use the dedicated online registration service which is under development and will be available when the scheme's requirements come into force. However, an alternative offline method of registration will also be available where registrants are not able to use the online service.

[1] https://isc.independent.gov.uk/wp-content/uploads/2021/01/20200721_HC632_CCS001_CCS1019402408-001_ISC_Russia_Report_Web_Accessible.pdf

5.7 Registrants are also required to notify the Secretary of State where there is a material change to their registered arrangement or activities (for example if there is a change in the individual or entity which is carrying out the activities). This statutory instrument sets out that a material change must be notified in writing. In practice, we expect most registrants to notify of material changes via the online registration service, however the instrument allows for this process to take place via another means of written communication for those who may not be able to access the online service.

5.8 In order to ensure compliance with registration requirements, the 2023 Act enables the Secretary of State to issue information notices to any individuals or entities which have registered, are reasonably believed to be required to register, or who are believed to be carrying out activities pursuant to a registerable arrangement. Information notices are notices which require the recipient to provide additional information about their arrangements or activities to the Secretary of State. The information which is required by the notices will be set out on a case-by-case basis in the notice itself, and is limited by the 2023 Act to information which is relevant to a registerable arrangement or activity. The date by which a response is required will also be set out in the notice, however this statutory instrument sets out that the minimum period within which a response will be required is five working days. The notices may be issued, and responded to, through any means of written communication, however we expect most information notices will be processed through the online registration portal- for which registrants will create an account linked to their email address- as the main form of communication.

5.9 In order to enable the scheme to operate efficiently, allow for investigation of non-compliance by law enforcement, and inform the Government's approach to policy making, this statutory instrument allows the Secretary of State to disclose information obtained under the scheme for a limited number of purposes. These include, but are not limited to, for the administration and enforcement of the scheme and to protect the safety or interests of the UK. All information disclosures will be in accordance with legal obligations under the Data Protection Act 2018 (c. 12) and the UK General Data Protection Regulation.

What was the previous policy, how is this different?

5.10 The statutory instrument relates to a brand-new scheme, which has no precedent in the UK. Prior to the Foreign Activities and Foreign Influence Registration Scheme, there has been no general requirement for transparency of foreign influence in the UK and no general provision of this nature available to assist law enforcement in tackling covert activities by or for foreign powers which pose a risk to national security or to the other interests of the UK.

6. Legislative and Legal Context

How has the law changed?

6.1 As the Foreign Activities and Foreign Influence Registration Scheme is a brand-new scheme, no previous legislation has made provision for the issues covered in this statutory instrument.

6.2 This instrument, for the first time, sets out the information required at registration under the Foreign Activities and Foreign Influence Registration Scheme; the minimum period for response to information notices; the form in which a material change must be notified to the Secretary of State and the grounds for disclosure of

information. These provisions complement, but do not amend, the provisions of the primary legislation.

6.3 The instrument will come into force when Part 4 of the 2023 Act comes into force. A separate commencement instrument will be made to bring Part 4 into force.

Why was this approach taken to change the law?

6.4 This is the only possible approach to make provision for the registration requirements, the minimum response period to information notices and disclosure powers of the scheme. The design of the scheme in the 2023 Act provided for these details, which are required for the commencement of the scheme, to be set out in secondary legislation.

7. Consultation

Summary of consultation outcome and methodology

7.1 An earlier draft of this instrument was made publicly available during the passage of the 2023 Act via the House of Lords library. That draft set out the information which would be required at registration and an accompanying policy statement set out the minimum period for response to information notices and the grounds under which information obtained under the scheme may be disclosed. We received minimal feedback on this draft so minor amendments only have been made to this instrument to ensure better alignment to our policy objectives.

7.2 No formal consultation was undertaken on the issues within this statutory instrument given they are technical in nature and do not amend the scope of the primary legislation, or the groups affected by it. A public consultation and sector-specific consultation panels were carried out on wider issues related to the scheme, but did not touch on issues relevant to this instrument.

8. Applicable Guidance

8.1 Guidance on compliance with the Foreign Activities and Foreign Influence Registration Scheme, including the information required at registration and the requirements to notify the Secretary of State of a material change and to respond to information notices will be available on gov.uk[2] from 1 April 2025 once other FIRS instruments have been laid. One of these instruments contains a cross reference to this instrument which is why it is laid first.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has been published in relation to the scheme as a whole which also considers the provisions contained within this statutory instrument. This is available on gov.uk.[3]

9.2 Further impact assessments will however be published related to the specification of foreign powers and other persons under the enhanced tier alongside the laying of relevant statutory instruments.

[2] https://www.gov.uk/government/collections/foreign-influence-registration-scheme
[3] https://www.gov.uk/government/publications/national-security-bill-overarching-documents/impact-assessment-foreign-influence-registration-scheme-accessible

Impact on businesses, charities and voluntary bodies

9.3 The impact of this instrument on businesses, charities or voluntary bodies is minimal. Under the primary legislation, only businesses, charities or voluntary bodies which are being directed by foreign powers or specified persons to carry out registerable activities in the UK will be required to register. The vast majority of the activities of businesses, charities and voluntary bodies will not fall in scope.

9.4 The legislation does impact small or micro businesses. However, this instrument does not amend the scope of the primary legislation. We consider that the majority of small and micro businesses will be unlikely to have to register as they are not being directed by foreign powers or specified persons to carry out registerable activities in the UK.

9.5 It is not possible to exempt small or micro businesses from the legislation as to do so would allow state actors to channel covert activities through these businesses and thus evade the legislation. However, the government has engaged trade and industry bodies which represent small and micro businesses and their views will inform guidance on compliance with the scheme.

9.6 There is no significant impact on the public sector. The set-up costs of administering the scheme as a whole are detailed in the published impact assessment, and this instrument has no impact on those costs.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is through statutory review.

10.2 A statutory review clause is included in the instrument in accordance with section 28 of the Small Business, Enterprise, and Employment Act 2015, which sets out that a review and a published report setting out the conclusions of the review must occur before the end of the period of 5 years from the commencement date.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 A number of other instruments related to the Foreign Activities and Foreign Influence Registration Scheme are being laid within a similar timeframe. These include affirmative instruments related to the publication of information, further exemptions from the scheme and the foreign powers or other persons specified under the enhanced tier.

12. European Convention on Human Rights

12.1 As this instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 (“relevant European Union Acts”).