## **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order makes provision about the rules relating to registered political parties from the United Kingdom and registered parties established in Gibraltar which put forward candidates to contest elections to the European Parliament in Gibraltar by virtue of its status as a part of the South West combined region. The Order also makes a small number of miscellaneous consequential and updating provisions.

Article 2 of the Order amends section 163(11) of the Political Parties, Elections and Referendums Act 2000 ("the 2000 Act") with the result that Part 4A of that Act, which deals with the regulation of loans and related transactions, extends to Gibraltar. In doing so Part 4A now extends to cover political parties established in Gibraltar and registered in the United Kingdom with the Electoral Commission for the purposes of contesting European Parliamentary elections in the South West combined region and registered political parties established in the United Kingdom who have also registered such an intention with the Commission. Part 4A is extended in this way, subject to the changes and modifications to that Part.

There are two significant changes and modifications to Part 4A as it extends to Gibraltar under this Order.

First, paragraph 2 of the Schedule inserts a new section 71GA. This has the effect of preventing a registered political party that is not a Gibraltar political party from entering into any arrangement which increases the value of a regulated transaction or which enables that value to be increased on a date on or after the polling date for a European parliamentary election.

Second, paragraph 7 of the Schedule inserts a new section 71HA which, in part, replaces section 57A which was originally inserted by The European Parliamentary Elections (Combined Region and Campaign Expenditure) Order 2004 ("the 2004 Order"). In doing so it places a limitation on registered political parties that are not Gibraltar parties which receive donations or enter into regulated transactions within a period beginning on a date four months before the polling date for a European parliamentary election. The limitation is that the aggregate of donations received and regulated transactions entered into must not exceed a permitted maximum, defined in the Order. New section 71HA also sets out the consequences of exceeding the maximum.

The remaining paragraphs of the Schedule make necessary consequential provisions and update references in other parts of the 2000 Act as originally applied to Gibraltar by the 2004 Order. The Order refers to Gibraltar Acts. They can be obtained at <a href="http://www.gibraltarlaws.gov.gi">http://www.gibraltarlaws.gov.gi</a> or from Publications, Government Secretariat, No. 6 Convent Place, Gibraltar. Further requests or queries may also be submitted by telephone (00 350 2005 1734), Fax: (00 350.2007.1734 4524) or by mail (publications@gibraltar.gov.gi).