

Ben Llewellyn  
External Affairs Manager  
Export Credits Guarantee department  
PO Box 2200  
2 Exchange Tower  
Harbour Exchange Square  
London E14 9GS  
16<sup>th</sup> December 2005

Dear Ben

Interim response to ECGD's consultation on changes to its anti bribery and corruption procedures – qualification of statements.

I refer to your letter of 5<sup>th</sup> December 2005.

Given the short time available for the response, and bearing in mind the many hours of discussion already devoted to this topic during the last two years, BAE Systems' response to your letter can be summarised as follows:

- Please refer to our detailed response to the Consultation, paras 18-19 and 62- 65. We reiterate the arguments set out in the referenced paragraphs.
- We are aware of the proposed response from the BBA on this issue, and fully endorse the BBA's position.
- The attempted imposition by ECGD in 2004 on industry and the banks of impractical and unworkable obligations and undertakings led to the continuing protracted and costly series of discussions on anti bribery and corruption provisions in ECGD's application forms. For the reasons given it is not practical for industry to provide wholly unqualified undertakings, and if an attempt is made to impose this requirement it will lead to another stalemate. We would urge that ECGD does everything in its power to avoid a repetition of this unwelcome outcome.

Yours sincerely

James Caldwell  
EVP Export finance  
BAE Systems