



BRITISH EXPORTERS ASSOCIATION

Mr Ben Llewellyn,
Export Credits Guarantee Department,
PO Box 2200,
2 Exchange Tower,
Harbour Exchange Square,
London E14 9GS

27th April 2006

Dear Mr Llewellyn,

**ECGD – Revisions in Standard Documents Relating to Bribery and Corruption:
Representations About Proposed Arrangements for Handling Information About
Agent’s Identities**

The British Exporters Association (“BExA”) welcomes the fact that after more than two years of discussion and uncertainty we appear to be in the final stages of the consultation process. BExA believes that ECGD and its customers now need a period of stability and confidence within which to grow their business. The final step in the process is to agree with ECGD the form of the special handling arrangements for confidential information relating to Agents.

As we have mentioned in our previous submissions, there seems to have been an assumption that all Agents employed in international business dealings are there to facilitate the payment of bribes whereas in reality this is very far from the truth. Agents employed by our members play an important role in the contractual process and those members should be free to pay legitimate commissions to them without the burden of providing ECGD with details that are often confidential and commercially sensitive. We do not see what additional comfort the holding of these details will give ECGD particularly as the Final Response acknowledges again that ECGD is not an investigating body. The deterrent arising from current legislation is in our opinion the appropriate way of dealing with this issue. Indeed as Transparency International pointed out in one of its submissions to the consultation, a company that is willing to breach the very stringent UK legislation through payment of bribes would hardly balk at the prospect of lying to ECGD on an application form.

We must be very clear however that the expression of the views contained in this letter should not be interpreted as a lack of support for our shared objective with Government to combat bribery and corruption in export business. We should reiterate that our

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members are fully committed to complying with both UK and host country anti-bribery and corruption legislation.

As you are aware BExA has been an active participant in the CBI Solutions Group, originally set up in 2004 to address the issues relating to the changes in ECGD's anti-bribery and corruption procedures. BExA has contributed to and is fully supportive of all the points made in the CBI's response on the safe handling arrangements.

While some of our members will have their own processes agreed with ECGD in relation to the transmission and holding of information with respect to Agents there are some overriding matters of principle that we should highlight.

- All information with respect to Agents must be subject to the safe harbour provisions not just the name and address of the Agent. The amount paid to an Agent, and the services provided by that Agent are equally as commercially confidential as the identity of the Agent and it would be wrong to afford them a lesser level of protection outside of the safe handling arrangements. .
- We understand that only one hard copy of the information will be retained by ECGD with no soft copies held on ECGD's computer system and that it will be held in safekeeping accessible by only one person, the Director of Business Principles or his named Deputy. In no circumstances should more than one ECGD employee have access to the information. While this may go some way to allaying our members concerns with respect to confidentiality there is still a requirement for clarity with respect to the penalty applied to ECGD and/or its personnel if that confidentiality is breached either accidentally or deliberately.
- We understand that the Freedom of Information Act 2000 may well affect the way that information held by ECGD is treated but our members will require that ECGD acknowledge that it treats all such information as commercially confidential, protected by the law of commercial confidence.

In conclusion BExA believes that the safe handling procedures set out in the Final Response are a good basis for a workable solution provided that the real concerns of ECGD's customers, as outlined both here and in the CBI's response, are taken into account.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'H' followed by a horizontal line, a dot, another horizontal line, and a stylized 'B' followed by a horizontal line that curves upwards at the end.

Hugh Bailey
Director