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Dear Consultee,

Final Response to ECGD's consultation on changes to its anti-bribery and corruption procedures made in December 2004

Please find enclosed your copy of the Government's Final Response to ECGD's consultation on its anti-bribery and corruption procedures, along with a Final Regulatory Impact Assessment and examples of the documentation ECGD will use to underwrite business reflecting these amendments.

ECGD thanks all those that submitted representations in the course of the two rounds of public consultation. All consultees' views have been carefully considered. The Government's key concern throughout has been to ensure that ECGD's procedures are rigorous yet workable. Copies of all the representations to the consultation, as well as the Final Response and accompanying documentation, can be found on ECGD's website at www.ecgd.gov.uk.

The debate about ECGD's anti-bribery and corruption procedures has been protracted and marked by strongly held views. The procedures now settled upon, which meet the consultation's aim of striking an appropriate balance between rigour and practicability, marks an end to a period of uncertainty for applicants. ECGD will now be stepping up its work on the international stage to persuade other Export Credit Agencies to adopt similar procedures.

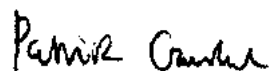
There are a number of ways in which we have increased the practicality of the proposals for applicants without compromising their effectiveness – for example, ECGD will no longer require representations about the actions of group companies not involved in the contract for which ECGD support is being provided.

You will note from the Final Response that UK exporters and investors applying for ECGD support will now be requested to provide the identities of their agents (or other intermediaries involved in the award of the contract). A number of representations to the consultation stressed to ECGD the commercial sensitivity of information about agents' identities. ECGD is confident that its procedures will prevent inadvertent disclosure. Annex C of the Final Response sets out a proposal for a system to be observed in handling information about agents' identities. ECGD welcomes any comments about these handling arrangements, which will be introduced alongside the changes to the procedures, within the next 21 days. Details of how to provide such comments can be found at Annex D of the Final Response.

ECGD will make a number of changes to its December 2004 procedures. As recommended under Cabinet Office guidelines, there will be an implementation period to give applicants for support a reasonable period to prepare for the changes. The revised procedures will therefore come into effect on 1 July 2006.

If you have any queries about the changes ECGD is introducing to its anti-bribery and corruption procedures, please contact Roy Donovan on 0207 512 7346; roy.donovan@ecgd.gsi.gov.uk.

Yours



Patrick Crawford
Chief Executive
ECGD