

MINUTES OF MEETING HELD 25/08/2005

Present: **Mr John Elkington (Chairman)**
Mr Tony Shepherd
Professor Jonathan Kydd
Mr Paul Talbot
Mr Roberts
Mr Rowcroft

In Attendance: **Mr Graham Pimlott**
Mr Patrick Crawford
Mr Victor Lunn-Rockliffe
Mr Nicholas Ridley
Mr David Allwood

Ms Helen Richman (Secretary)

1 APOLOGIES FOR ABSENCE

Apologies were received from Ms Airey, Dr Thamotheram and Sir Stephen Brown.

2 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 20 July were approved.

3 CONSULTATION ON ANTI-BRIBERY AND CORRUPTION PROCEDURES

3.1 The Council reviewed and discussed submissions to the consultation on ECGD's anti-bribery and corruption procedures and also discussed ECGD's proposed approach on this issue. The following key points were made:

3.1.1 The Council felt that ECGD's approach to the consultation should focus positively on the steps it could take, though for the sake of clarity, the Council

felt that the constraints to which ECGD was subject should be set out, since some responses to the Consultation had demonstrated an exaggerated view of ECGD's powers.

3.1.2 The Council felt that ECGD and other Export Credit Agencies (ECAs) should tackle bribery and corruption through international action on the basis of a level playing field, acknowledging the proper role of the investigative agencies. It was hoped that the Government, in its response to the consultation, would set out clearly the issues it had taken into consideration, as well as its conclusions.

3.1.3 In particular, the Council felt that the ratio of an agent's fee to contract value was not relevant in determining whether agents' details should be divulged. They felt that any measures required in relation to agents should not have regard to this. The Council also considered whether exporters could be given the option of supplying a warranty where there was commercial difficulty in supplying agents' details. The Council felt that such a warranty, since it would be in addition to existing warranties already given by exporters to ECGD in relation to bribery and corruption, would be a stringent option, requiring the exporter to take responsibility for their agent.

3.1.4 However, the Council felt that it would be logical to request that applicants should provide ECGD with agents' identities prior to ECGD's decisions on cover, and that the arguments of the consultees against this were not strong.

3.1.5 In relation to debarment as a result of conviction, the Council noted that ECGD's Act of Parliament obliged it to look at all applications for cover. However, the possibility of a policy which stated ECGD would debar a

company in the light of a conviction, with the term 'policy' being clarified as necessary, was also discussed by Council members.

3.1.6 In all other respects, the Council endorsed ECGD's emerging conclusions in relation to the key issues covered by the Consultation.

4 ANY OTHER BUSINESS

4.1 There was no other business.

HELEN RICHMAN
EGAC Secretariat