



Department for
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Louis Taylor
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12 April 2019

Dear Louis,

Thank you for your letter of 5 April 2019. Having sought and received consent from Treasury Ministers as required under the Export and Investment Guarantees Act, I confirm that I can formally direct you as Accounting Officer to proceed with increasing UKEF's available market risk appetite for Iraq by £1billion, to enable further priority projects to be supported in this market. I also confirm that you should continue to apply UKEF's established risk standards when considering the acceptability of individual transactions in this market.

I note your concerns that increasing the risk capacity for this market by £1billion would fall outside of UKEF's established risk framework. However, I have considered, with Ministerial colleagues, arguments in support of proceeding with this increase in the national interest in order to support Iraq's economic development, promote nation-building and to support additional UK exports to Iraq. I believe these arguments are sound.

I therefore instruct you to make the appropriate arrangements for increasing UKEF's market risk appetite limit for Iraq by £1billion.

I will inform Parliament of this instruction in due course.

THE RT HON DR LIAM FOX MP
Secretary of State, Department for International Trade
& President of the Board of Trade