

MINUTE OF UKEF BOARD MEETING – 22 MARCH 2017

Present: Noel Harwerth (Chair) Justin Manson Item 3 – Gordon Welsh
Amin Mawji Emily Ashwell Item 4 – [REDACTED]
Lawrence Weiss [REDACTED] Item 6 – [REDACTED], Pat
Louis Taylor Sir Eric Peacock Cauthery, [REDACTED], Richard
David Havelock Oliver Peterken Smith-Morgan
Cameron Fox
Apologies: Catherine Raines [REDACTED]
Secretary: [REDACTED] Item 7 – Bhaskar Dasgupta,
Tony Haberfield, [REDACTED]
Item 8 – Adam Harris

1. CEO's update

- 1.1. The CEO delivered his monthly update to the Board, which covered ongoing progress made across UKEF's various functions. The Board took time to consider end of year business figures, and work underway in the Civil and Aircraft branches of the Business Group.
- 1.2. The Board took time to discuss a new Key Performance Indicators report supplied by Credit Risk Group. It was requested that, on an ongoing basis, the Monthly Management Report is circulated to NEDs. **Action – CXO Secretariat**
- 1.3. The Board discussed the opportunity to hold an away day, and agreed this should take place after the start of next financial year. **Action – CXO Secretariat.**

2. Draft Minutes and Actions Log of 18 January Meeting

- 2.1. The Board cleared the actions and minutes of the previous January Board meeting.

3. Business Performance Update

- 3.1. The Board received an update on UKEF's business pipeline from the Head of the Business Group, covering work underway in the Civil, Infrastructure & Energy and the Aircraft & Defence branches.

- 3.2. The Board congratulated the fact that the pipeline of business continues to grow, performing well despite the absence of business with key customers this financial year, due to new initiatives and innovation undertaken by BG such as the exporter trade fairs.
- 3.3. The Board Chair requested that work is undertaken to improve the current forecasting report and adjust the level of granularity which it covers. **Action – Gordon Welsh.**

4. Annual ECA Comparisons Review

- 4.1. The Head of International Branch (IB), [REDACTED], presented his paper to the Board, covering the performance of UKEF against other Export Credit Agencies, in terms of products and offering, areas of improvement, and opportunities. The Chair noted the excellent quality of the paper.
- 4.2. The Board noted the importance of having a member of the Department for International Trade, and the International Trade & Investment (ITI) arm, present at the UKEF Board meetings. It was requested that a presentation is made on ITI in a future Board meeting. **Action – CXO Secretariat.**
- 4.3. Finally, in light of the upcoming triggering of Article 50, the Head of IB noted the current negotiations underway at the International Working Group on Export Credits and what the UK's position may be in the OECD following the UK's exit from the European Union.

5. Board Photo Session

- 5.1. The Board took a break from committee business and gathered for its annual photo session, which will feature in UKEF's Annual Report and Accounts 2016-17.

6. Airline Sector Review

- 6.1. The Heads of Aero & Defence and Risk Assessment Division introduced themselves and representatives of their teams. The teams delivered an overview of the credit risk and outlook for the Airline industry.
- 6.2. The Board discussed a range of topics on this subject, covering premium and credit ratings, exposures on particular airlines, aircraft models, ECA financing for the sector, support for Boeing aircraft, and particular areas of difficulty.
- 6.3. The Board noted the thoroughness of the presentation, which provided a holistic view of the airline sector.

7. Change Plan 2017-18 and Digital Programme Update

- 7.1. The Board received an update from Bhaskar Dasgupta, the Chief Operating Officer (COO), Tony Haberfield (Digital Director) and [REDACTED] (Interim Head of PMO) on the ongoing work of the Digital Programme. This included updates on Bank Delegation and UKEF's Digital Portal.
- 7.2. The Chair agreed to have a more in-depth discussion on the Digital Programme following conclusion of the Board meeting.

8. Business Plan 2017-20

- 8.1. The Head of CXO, Adam Harris, presented the final draft of UKEF's 2017-20 Business Plan. It has been cleared by a range of stakeholders including the Ministers for DiT, their Special Advisors, and the Department for Exiting the European Union. It is currently with the Secretary of State for final sign-off.
- 8.2. The Board discussed what assessments had been made of the available market for UKEF to support. The CEO noted the Oliver Wyman report, commissioned by UKEF, can provide more insight. **Action – CXO Secretariat to provide.**

9. AOB

- 9.1. The CEO noted that staff based in the devolved administrations (such as some of UKEF's Export Finance Managers) cannot be co-located in devolved institution bodies and need to be located in HMG offices.
- 9.2. In the interest of further clarity on significant changes to the business pipeline, it was requested that a one page summary of the Business Forecast accompanies the spreadsheet, in addition to circulating the Monthly Management Report. **Action – Gordon Welsh/CXO Secretariat.**
- 9.3. The COO noted the successful pilot of Diligent Boards with Non-Executive Directors. The software will be issued to Executive Directors and Ex-Officio members of the Board in April 2017.



Chief Executive's Office