



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Lord Mark Sedwill KCMG, Temasek Holdings.

1. Lord Mark Sedwill, former Cabinet Secretary and National Security Advisor, has sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for former Crown servants (the Rules) on an appointment he wishes to take up Temasek Holdings (Temasek) as a consultant advisor. The material information taken into consideration by the Committee is set out in Annex A.
2. The purpose of the Rules is to protect the integrity of the government. Under the Rules, the Committee's remit is to consider the risks associated with the actions and decisions made during time in office, alongside the information and influence a former Crown servant may offer Temasek.
3. The Rules set out that Crown servants must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former Crown servants are expected to uphold the highest standards of propriety and act in accordance with the 7 Principles of Public Life.

The Committee's Consideration

4. When considering this application, the Committee¹ noted that Lord Sedwill did meet with Temasek during his time in service but this was a routine meeting and he was not involved in any decisions affecting Temasek. Further there is no relationship between Temasek and the Cabinet Office. As such the Committee considered there is no reason it might be perceived this appointment is a reward for decisions made or actions taken from his time in office.

¹ This application for advice was considered by Jonathan Baume; Mike Weir; Lord Larry Whitty; The Rt Hon Lord Pickles; Dr Susan Liataud and Richard Thomas.

5. As the former Cabinet Secretary and National Security Advisor, the Committee noted he would have had access to privileged information which may be seen to be of general use to any company he chooses to join. Specifically the Committee noted that due to his role he would have access to sensitive information regarding the government's planning around the impact of the UK's departure from the EU. The Committee recognised any company operating in the UK and internationally may be considered to be gaining from his insight unavailable to its competitors (such as insight into possible approaches to future trade agreements). However, the Committee considered the level of information seen by Lord Sedwill would likely have been high level and not specific to a particular company. Further, the Committee noted Lord Sedwill left office before the UK's departure and almost 7 months have passed since he had access to information. The Committee would draw Lord Sedwill's attention to the restriction on using privileged information imposed below. The Committee considered that in this context he should specifically avoid giving his new employer privileged insight into the UK's negotiating strategy post its departure from the EU.
6. The Committee also noted the National Security Secretariat and the Cabinet Secretary's office's comments that as the former Cabinet Secretary and National Security Advisor he will have received updates on the NS&I Bill development and the strategic intervention framework (SIF) which accompanies this. However, the Committee noted that this Bill has now become law and is in the public domain. Further while Lord Sedwill would be aware of the SIF and its purpose the department has confirmed his information would not be up to date and would not provide an unfair advantage to Temasek.
7. The Committee noted there may be risks associated with the former National Security Advisor advising an investment company owned by a foreign government, not least in terms of the perception he may offer access and influence. However, the Foreign, Commonwealth and Development Office (FCDO) has confirmed it has no objection to Lord Sedwill taking up this role and it is a well-respected sovereign investment agency and has a strong relationship with ministers and others in the UK system.
8. Additionally, the Committee noted due to Lord Sedwill's seniority and influence at the centre of the government, there is a risk it could be perceived his network and influence might assist Temasek unfairly. The Committee would draw Lord Sedwill's attention to the lobbying restriction and the restriction on providing advice on the terms of a bid or contract relating directly to the work of the UK government imposed below. These conditions will prevent him from providing an unfair advantage to Temasek in respect to his contacts across the government. However, the Committee noted this was in keeping with his role as described.
9. The Committee advises, under the Government's Business Appointment Rules, that Lord Sedwill's role with **Temasek Holdings** should be subject to the following conditions:

- He should not draw on (disclose or use for the benefit of himself or the persons or organisations to which this advice refers) any privileged information available to him from his time in Crown service. In the context of this general provision, the Committee considers he should specifically avoid giving Temasek Holdings or its subsidiaries, partners or clients, privileged insight based on information from his time in Crown service into Brexit related issues, insofar as it as it pertains to UK's negotiating strategy post its departure from the EU;
 - for two years from his last day in Crown service, he should not become personally involved in lobbying the UK government on behalf of Temasek Holdings (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in the government and/or Crown service contacts to influence policy, secure business/funding or otherwise unfairly advantage Temasek Holdings (including parent companies, subsidiaries, partners and clients); and
 - for two years from his last day in Crown service, he should not provide advice to Temasek Holdings (including parent companies, subsidiaries, partners and clients) on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of the UK government.
10. By 'privileged information' we mean official information to which a minister or Crown servant has had access as a consequence of his or her office or employment and which has not been made publicly available. Applicants are also reminded that they may be subject to other duties of confidentiality, whether under the Official Secrets Act, the Civil Service Code or otherwise.
 11. The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant/Minister *"should not engage in communication with government (Ministers, civil servants, including special advisers, and other relevant officials/public office holders) – wherever it takes place - with a view to influencing a government decision, policy or contract award/grant in relation to their own interests or the interests of the organisation by which they are employed, or to whom they are contracted or with which they hold office."*
 12. I should be grateful if you would inform us as soon as Lord Sedwill takes up employment with this organisation, or if it is announced that Lord Sedwill will do so, either by returning the enclosed form or by emailing the office at the above address. We shall otherwise not be able to deal with any enquiries, since we do not release information about appointments that have not been taken up or announced. This could lead to a false assumption being made about whether Lord Sedwill has complied with the Rules.
 13. Please also inform us if Lord Sedwill proposes to extend or otherwise change the nature of his role as, depending on the circumstances, it may be necessary for him to make a fresh application.
 14. Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

Yours Sincerely,

Isabella Wynn
Committee Secretariat

Annex A - Material information

The role

1. Lord Sedwill sought the Committee's advice on taking up a paid part-time role, with Temasek Holdings (Temasek), as a Consultant Advisor. Lord Sedwill said Temasek is a global investment company, owned but not managed by the Singapore Government, Temasek invests with '*...full commercial discretion and flexibility*'. Temasek is Singapore's sovereign wealth fund- a state owned investment company with a net portfolio of \$313 billion. Except for appointing Temasek's board, the Singaporean Government does not interfere in Temasek's operations. This means they are not involved in the company's investment decisions and do not guarantee their debt. Its portfolio covers a broad spectrum of sectors including financial services, telecommunications, media and technology, transportation and industrials, life sciences and agribusiness, consumer and real estate. It was incorporated in 1974 and has offices in Singapore, London, New York, Mumbai and various other financial hubs across the world.
2. Lord Sedwill said he has been invited to join Temasek's European & Middle East Advisory Panel. Lord Sedwill said this appointment is a non-executive role and he will not be involved in the company's investment decisions. He said the Advisory Panel's purpose is to meet around three times a year to consider the strategic geo-political, economic and environmental issues affecting the global investment climate and thus help shape Temasek's strategic direction. He confirmed his role will not involve contact with the government.

Dealings in office

3. Lord Sedwill advised the Committee in October 2019 he had routine meetings at the request of Dilhan Pillay, then CEO of Temasek International, during a regular visit to the UK. He said this was a routine discussion of the investment climate and of govt policy to encourage Foreign Direct Investment (FDI) in support of the PM's levelling-up agenda. Lord Sedwill also confirmed his former department, Cabinet Office, has no relationship with Temasek and as such was not involved in any commercial or contractual decisions relating to Temasek. He also told the Committee he did not have any involvement in any relevant policy development or decisions that would have affected Temasek and did not meet with competitors of Temasek; nor did he have access to sensitive information regarding these competitors.

Department Assessment

4. The Cabinet Office confirmed the details provided by Lord Sedwill. It confirmed Lord Sedwill had a routine meeting at the request of Dilhan Pillay, CEO of Temasek, in October 2019, stating this was a routine discussion of the investment climate and of HMG policy to encourage FDI in support of the PM's levelling-up agenda. The Cabinet Office confirmed Lord Sedwill had no involvement in any policy, contractual or funding decision relevant to Temasek.
5. It also informed the Committee that in Lord Sedwill's previous role he may have had access to government policy in development which could be seen to be of assistance to his future employer. However, it confirmed the passage of time since he left Crown Service and the number of major government announcements, including COVID responses, the budget and the integrated review, have set out publicly much of the government's latest policy considerations and as such the risk related to Lord Sedwill's access to information is low.
6. The department had no concerns with Lord Sedwill taking up this appointment but nonetheless, due to the seniority of the official role, it recommended the standard conditions.
7. The FCDO was also contacted regarding this application. The FCDO said it could not see any challenges around appointment. It said Temasek is a well-respected sovereign investment agency that is well aligned to Sustainable Development Goals (SDGs). It confirmed *'Temasek has a strong relationship with ministers and others in the UK system (as well as the [FCDO], HMTC and others in the High Comm) as an investor in the UK but also as a potential partner for us in third countries (eg working with CDC in South Asia). They are an active participant in Mark Carney's green finance coalition.'*
8. It also said the UK *'...do need to be up to the mark in ensuring [it] incentivize innovative and growth-enabling countries to remain Headquartered in the UK – Temasek's "scouting" of companies combined with Economic Development Board's red carpet to attract companies to HQ here are a powerful combination'*.
9. Further the National Security Secretariat (via the NSA's office) and the Cabinet Secretary's office also provided their view via Cabinet Office and while Cabinet Office could not comment on the detail of internal advice, it confirmed as Cabinet Secretary the applicant would have received updates on the NS&I Bill development up until September 2020. However it confirmed the Bill has just become law and any information he would have received about it is now in the public domain or out of date as options not ultimately enacted/pursued (<https://bills.parliament.uk/bills/2801>).

10. It further said the strategic intervention framework (SIF) which accompanies the Act is HMG's internal framework for triaging investment cases and deciding their outcomes. Some information about this is in the public domain. Cabinet Office said *'Lord Sedwill is aware of the SIF and its purpose but isn't up to date on the details and so this is not assessed as being of use (as the information would not be helpful and would also be a breach of confidence that we have no evidence the applicant is likely to commit, having been a civil servant of unimpeachable integrity). Thus, in the CO assessment, there is no risk of any insight gained giving Temasek an unfair advantage'*.