

MINUTES OF UK EXPORT FINANCE EXECUTIVE COMMITTEE MEETING

19 December 2022

Present:	Samir Parkash (Chair)	Attendees:	[REDACTED] (item 2)
	Cameron Fox		[REDACTED] (item 3)
	Esi Eshun		
	Julia Beck	Secretariat	[REDACTED]
	Shane Lynch	:	[REDACTED]
	Tim Reid		

Apologies: Richard Smith-Morgan

1 DIT, HMT and general updates

- 1.1 The Chair reported on the morning's Departmental Delivery meeting with the Secretary of State and DIT Directors General. He looked forward to a meeting with the Minister for Exports on Home Shipbuilding in the afternoon.
- 1.2 Members discussed work on critical mineral security, the upcoming Net Zero review and the communications plan for the Judicial Review decision. The Committee heard about ongoing transactions and discussed potential mitigations to complications.

2 Ukraine Defence Projects – process

- 2.1 [REDACTED], working lead for Ukraine, outlined a proposed process for implementing UKEF support to facilitate UK exports to Ukraine, specifically for defence and reconstruction contracts.
- 2.2 The Committee noted that the National Audit Office are likely to scrutinise the process for agreeing support closely and underlined the need to ensure clear documentation and regularity.
- 2.3 Members discussed the reasons for changing the process now and agreed the need to streamline the process. Members agreed to ask the Secretary of State to delegate approval of decisions to the Minister for Exports, and ensure ministers are sighted if there was any deviation.
- 2.4 The Committee heard about spending of the Overseas Development Assistance budget and how it may affect financing related to Ukraine projects.

2.5 The Committee agreed with the process outlined for taking forward Ukraine transactions including the facility rollovers.

ACTION: Ukraine Lead to document the go forward process

ACTION: Private Office to ask SoS office to approve submission for delegation of decisions to Minister for Exports.

3 Invitations to Royal Garden Party, summer 2023

3.1 Head of Private Office outlined the request for nominees to attend Royal Garden Parties in summer 2023. The Committee discussed rationale for selecting individuals to nominate and agreed to focus on customers and others who had been considered but not submitted for Honours. Director of Business Group and Head of SPoCC Office would revert with suggestions.

ACTION: Director of Business Group and Head of SPoCC Office to send suggested nominee details to Private Office by end of the week.

[REDACTED]

Strategy, Policy and Climate Change Division

MINUTES OF UK EXPORT FINANCE EXECUTIVE COMMITTEE MEETING

21 December 2022

Present:	Samir Parkash (Chair)	Attendees:	[REDACTED] (item 2)
	Cameron Fox		[REDACTED] (item 2)
	Esi Eshun		[REDACTED] (item 3)
	Julia Beck		[REDACTED] (item 3)
	Shane Lynch		[REDACTED] (item 4)
	Tim Reid		[REDACTED] (item 4)
			[REDACTED] (item 4)
Apologies:	Richard Smith-Morgan		[REDACTED] (item 5)
			[REDACTED] (item 5)
Secretary:	[REDACTED]		[REDACTED] (item 5)
			[REDACTED] (item 6)
			[REDACTED]
			[REDACTED]
			[REDACTED]

1. DIT, HMT and general updates

3.2 The minutes of the 12 December and 19 December meeting were reviewed and approved, subject to minor comments.

3.3 The Chair gave a brief overview of meetings with the Secretary of State.

3.4 The Committee discussed work across government on the UK's international development offer, as well as a maritime defence inquiry.

3.5 Members discussed the need for exit interviews for departing staff, succession planning for the Senior Leadership Team and sharing updates from their respective Directorates on recruitment and retention. The Director of Resources agreed to revert back to EC on processes for leavers and alerting Executive Committee of planned leavers.

ACTION: The Director of Resources will revert to EC in January on the processes for leavers.

4 Modern Slavery

4.1 The Policy and Product Development Manager, [REDACTED], presented recommendations for managing modern slavery risks in UKEF's products. The current approaches were in line with Common Approaches (in accordance with the OECD and Equator Principles). It was noted that plans to expand the wording

included Civil, Infrastructure and Energy (CIE) transactions which were not covered by the Common Approaches.

4.2 It was heard that the previously approved statement was to be condensed to a single unified cross government statement. The members were informed that this process was more effective in comparison to previous revisions to the statements.

4.3 Members discussed that the wording in the documentation, noting it was extensive and discussed the potential impacts on Small and Medium Enterprises (SMEs). It was explained that the wording had been softened to make it practical and purposeful, so that SMEs were aware of their obligations under the Act.

4.4 The Committee approved the expansion of ESHR screening for Medium to Long term products and the strengthening of modern slavery references across UKEF's legal documentation in line with the proposals in the paper.

5 Proposal for UKEF to join the Partnership for Carbon Accounting Financials (PCAF)

5.1 The Head of Climate and Sustainability, [REDACTED], presented the proposal for UKEF to join the PCAF and detailed a range of benefits to joining the partnership. Requirements of PCAF membership included emissions publishing and disclosure requirements, which UKEF had already established.

5.2 The Committee members discussed legal implications of membership, and agreed this does not go materially further than existing practice and commitments.

5.3 Members discussed PCAF's current and potentially future funding models as well as the potential negative implications of ending the membership. The value of early membership was also noted.

5.4 The Committee approved UKEF joining the PCAF.

6 Fintech Business Case

6.1 The Head of Transformation and Change, [REDACTED], presented the Fintech business case for Tranche 1 and explained the resourcing requirements involved.

6.2 The Committee enquired on how the full life costs were estimated, noting that estimates for each tranche provides more accuracy. Three options were presented and comparably similar. The option to build and buy provided greatest flexibility while reducing delivery risk.

- 6.3 Members heard about the organisational impact resulting from this programme and noted that due to UKEF's development, the need to replace the Advanced Commercial Banking System was overdue. The programme set out to assist with data quality management, however, it may not resolve all post-issue data quality issues.
- 6.4 Members discussed how the new programme allowed for some current parameters to be more flexible than the existing approach and allows for greater flexibility regarding future product developments.
- 6.5 The Committee noted the comments from the Change Board (including that this is not a panacea for all data issues and importantly that this project/programme needs to be top priority for UKEF if it's to be successfully delivered) and approved the £1,538,825 of Change Board Funding and £270,258 of internal funding.

7 Efficiencies and savings

- 7.1 The Head of Corporate Strategy, [REDACTED], presented the proposed approach for an Efficiency and Savings Review (ESR), ahead of a formal submission to HMT required by 31st January.
- 7.2 Members discussed the automation of expenses which was initially thought to cost circa £150,000.
- 7.3 It was heard that the Strategy team would share the ESR with relevant ministers to ensure alignment with DIT's approach. It was suggested that a cover letter be sent with the ESR, highlighting the projects that did not fall within the template but flagged for transparency.
- 7.4 The Committee discussed the need to review and monitor inflationary impacts and the potential impacts on their budgets.
- 7.5 The Committee noted and agreed the approach of the ESR which would be reviewed by the Committee in mid-January 2023, ahead of the submission to HMT.

8 Origination Activity

- 8.1 The Head of Origination, [REDACTED], gave an update on business origination activities which included a presentation on the key highlights, pipelines, SDG impacts and trajectories.

8.2 Members conversed over different regions, upcoming prospects and plans for cross departmental collaboration.

8.3 The Committee discussed Salesforce configurations for origination and a future look into a relationship management model.

8.4 The Committee noted the contents of the paper. The Chair thanked the Head of Origination for the work done in managing a geographically diverse team.

9 **AOB**

9.1 Members briefly discussed the latest Dear Accounting Officer (DAO) letter and agreed to have a fuller conversation in January 2023.

9.2 The Head of BG shared that the consultation for BG transformation would be launched in the new year, which planned to cover CIE, aerospace, and shipping.

ACTION: EC Secretariat to add DAO Letter to January forward agenda.

[REDACTED] and [REDACTED]

Strategy, Policy and Climate Change Division