

Minute of UKEF Strategy Day meeting – 16 October 2024

Members

Robert Gillespie (Chair)
Tim Frost
Vanessa Havard-Williams
Charlotte Morgan
Jackie Keogh
Kimberley Wiehl
Samir Parkash
Tim Reid
Cameron Fox
Tom Cooper (UKGI)
Jo Crellin (DBT)

Apologies:

Secretariat:

[redacted]

Attendees:

Adam Harris
Carl Williamson
Jayne Whymark
Julia Beck
Shane Lynch
Dan Bowden

Observers:

[redacted]
Roshana Arasaratnam (UKGI)

{redacted} (item 1-5; 7-8); [redacted] [redacted] (Items 4 &5); Andreas Klassen (item 5), Rich Hodder (Citi), John Meakin (JP Morgan) and Philip Lewis (HSBC) (item 6); [redacted] (items 7&8).

1. Introduction

1.1. The minutes of the 18 September meeting were approved, and actions log discussed.

2. CEO and EC update

2.1. The CEO discussed engagement with the Secretary of State and ministers. It was noted that the Spending Review Phase 1 settlement had been approved. The meeting discussed the pipeline, recently completed deals and capacity, noting there

were no immediate constraints on business.

2.2. The meeting discussed the Business Plan, 6 months since its launch.

3. Abbreviated Chief Risk Officer Update

3.1. Samir Parkash, the Chief Risk Officer, provided a brief, forward-looking update. The meeting heard about geopolitical trends and the likely volatility that would follow the US election. It was noted that elsewhere there was a relatively benign environment with regard to access to capital.

4. Export Credit Agency (ECA) Landscape in 2030

4.1. Dr Andreas Klasen, a partner with strategic consulting firm actoRx gave a presentation on the ECA landscape, and the role of ECAs in the future.

4.2. The meeting were informed of global 'megatrends' and the likely impact on ECAs and the role that they might play. It was noted that mandates for ECAs differed widely, and that products and governance also varied. The presentation discussed how some ECAs were focussing increasingly on SMEs and climate change.

4.3. Members discussed how the future workforce might change with regard to artificial intelligence; how regulatory changes could affect UKEF, and how new cross-border legal frameworks were likely to be needed in the future. The meeting considered how a whole of government approach could work; how increased financial capacity would be required for new products; and that stakeholders would encourage increased climate and ESG commitments.

5. ECA benchmarking

5.1. [redacted] and Julia Beck (Director of Strategy, Sustainability and Impact) provided a presentation on the Competitive International Landscape. The Board noted the competitiveness of the international landscape UKEF operated in, what other ECAs were doing and provided steers on how UKEF could innovate to maintain competitive offerings for customers.

6. Roundtable – comparative perspectives from the banking world

6.1. Carl Williamson, Director, SME & Trade Finance and Co-Head of Business Group,

hosted this item which looked at banks' experiences of working with UKEF and other ECAs to give insight into what was driving competitive advantage among peer ECAs. Global Heads of Export and Agency Finance at Citi (Rich Hodder), JP Morgan (John Meakin) and HSBC (Philip Lewis) provided their expert opinions.

6.2. The Board thanked the panel for their considered views and agreed that similar events would be very useful in the future.

7. Spending Review: Phase 2

7.1. [redacted] gave a brief introduction to this discussion which brought the themes covered during the day together. The meeting considered the actions UKEF needed to take to ensure it was fit for purpose and remained a market leading ECA in 2030, with Phase 2 of the Spending Review an opportunity to take this work forward.

7.2. The meeting were informed of the wider strategic context in which UKEF operated, including an update on the National Wealth Fund following the International Investment Summit held on 14th October. Members were apprised of a readout of phase 1 of the Spending Review, and were given a preview of the process and timings for Phase 2.

7.3. The Board and EC's discussed how UKEF would need to evolve out to 2030 to manage the opportunities and challenges that a changing global landscape presented. The following themes/questions were discussed:

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8. [redacted]Any Other Business / wrap up

8.1. The Chair asked Members to provide their views on what the Board should focus on over the coming months. These views were summarised into three primary themes.

1. Stakeholder engagement / management

As a theme this was mentioned throughout the day and mentioned by more attendees than any other. [redacted]

2. Internal efficiency

8.2. Another key theme was improving what was already in place. To this end the following

was raised:

[redacted]

3. Products

8.3. [redacted][redacted]