

EXPORT GUARANTEES ADVISORY COUNCIL

MINUTES OF MEETING HELD ON 07 OCTOBER 2024

Present: Ms Vanessa Havard-Williams (Chair)
Dr Ben Caldecott, EGAC
Mr Harold Freeman, EGAC
Mr John Morrison, EGAC
Mr Stephen Prior, EGAC
Ms Sarah Steele, EGAC
Ms Roseline Wanjiru, EGAC
Ms Charlotte Morgan, UKEF Board member
Ms Kim Wiehl, UKEF Board member
Mr Tim Reid, UKEF CEO
Ms Julia Beck, UKEF Director
Ms Jayne Whymark, UKEF Director

Presenters: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Observers: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Apologies: Mr Adam Harris – UKEF Director

Secretariat: [REDACTED] , [REDACTED]

1. Minutes of previous meeting and matters arising

- 1.1. Members reviewed and approved the minutes from the June 2024 meeting.
- 1.2. Members noted the actions log.
- 1.3. Ms Steele and Ms Howell each declared a conflict of interest related to the Mozambique project.

2. UKEF Aviation Decarbonisation

- 2.1. [REDACTED] and [REDACTED], gave a presentation seeking EGAC's advice as UKEF continues to develop its approach to support aviation decarbonisation.
- 2.2. The council discussed sustainable aviation fuel (SAF), supply chain security, demand for and supply of SAF, the efficiency of its production and UK expertise in SAF, and links to energy security. They suggested Defence as an area of opportunity to explore. They discussed the level of ECA support for the sustainable aviation sector, incentives, regulatory frameworks and other economic policy levers.
- 2.3. The council considered UKEF's approach towards the 2050 net zero target and how it will be met.
- 2.4. Members discussed the private sector's integration of climate change assessments into decision making and gave advice to help guide UKEF's thinking on how to incorporate the assessments into processes.
- 2.5. Members advised on UKEF's decarbonisation plans and believed them to be ambitious and practicable. They gave advice on potential key performance indicators and metrics for measuring progress on decarbonisation. Members offered general reflections on advice on thinking strategically about aviation decarbonisation. Members considered UKEF's decarbonisation target and probed how this sat with UKEF's expectations of growth in business within the aviation sector. They advised that this merited further discussion on an ongoing basis.

3. UKEF within HMG's toolkit for development and transition finance

- 3.1. [REDACTED] presented a paper seeking EGAC's reflections on UKEF's positioning within the broader HMG offer for development and transition finance.
- 3.2. The council discussed strategic and commercial opportunities. Members reflected on the UK and UKEF's strengths in this market and advised on possible partnerships with other bodies when working in lower- and middle-income countries. They discussed investors' priorities and considerations.
- 3.3. Members advised using UKEF's current product offering in the first instance rather than creating new ones. They emphasised the need for a co-ordinated offer from UK public finance institutions.

4. **COP 29 preview**

- 4.1. [REDACTED] told the committee of planned meetings, events and engagements at COP29, and outlined UKEF's priorities for the conference.
- 4.2. Members offered reflections to the team on the financial institutions that will be represented at the event.

5. **Financial Crime Due Diligence update: Risk appetite statement**

- 5.1. [REDACTED] and [REDACTED] updated the committee on the Financial Crime risk appetite statement (RAS).
- 5.2. Members noted that 'risk appetite' referred to UKEF's willingness to take certain levels of risk in pursuit of its organisational objectives, clarifying previous confusion of this term.
- 5.3. The council commented that the RAS had become a clear and functional document, reflecting significant improvement since its initial draft in late 2023.
- 5.4. The council approved the paper.
- 5.5. The meeting ran out of time to review the financial crime dashboard

ACTION: The team will return to the committee to present the dashboard at the next available slot.

6. **Any other business – Biodiversity index**

- 6.1. Ms Howell told the Council about the Natural History Museum's biodiversity intactness index and asked about UKEF's plans for the Taskforce on Nature-related Financial Disclosures (TNFD). The Council was told about intentions to look at nature related KPIs in the future as part of the sustainability strategy.

7. **Any other business – Mozambique LNG project**

[Ms Steele and Ms Howell recused themselves from the meeting before this discussion due to pre-disclosed possible conflicts of interest]

- 7.1. The Council heard an update on the Mozambique LNG project, following allegations of human rights abuses made in recent media.

- 7.2. Ms Whymark detailed the steps UKEF was taking to fully understand the allegations and the timeline for Ministerial engagement.
- 7.3. Members gave views on the situation and discussed the avenues of enquiry into the allegations. They asked for an update when available.