

# ALSTOM

**United Kingdom**

Mr Ben Llewellyn  
ECGD  
PO Box 2200  
2 Exchange Tower  
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London E14 9GS

13 June 2005

Dear Mr Llewellyn,

**Consultation on Changes to ECGD's Anti-Bribery & Corruption Procedures  
introduced in December 2004**

ALSTOM is a world leader in the energy and transport infrastructure markets, employing about 70,000 people world-wide. In the UK, ALSTOM directly employs some 6,300 staff and, of course, very many more British jobs are sustained through our extensive network of sub-contractors.

ALSTOM is committed to the elimination of bribery and corruption in business transactions, and all ALSTOM companies and employees are required to conform to all relevant laws of the countries in which they operate. No ALSTOM company or employee may, directly or indirectly, offer or provide an undue pecuniary or other advantage to or for a public official, political party or customer employee or agent, or employee or agent of a lending agency or bank, in violation of the official's or employee's legal duties or in violation of applicable law, in order to obtain or retain business.

Although ALSTOM has, in the past, been a major customer of ECGD, we have not had reason to submit a formal application to ECGD since the new anti-bribery & corruption procedures were first introduced in May 2004. Nevertheless, because we expect to require ECGD's occasional support in the future, we have been following the changes in your procedures with interest.

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British business is currently subject to some of the most stringent anti-bribery & corruption laws, and we feel that it should be sufficient for ECGD to satisfy itself that applicants are aware of and compliant with those laws before providing its support. It is neither practical nor appropriate for ECGD to assume the role of an investigatory body.

The procedures announced in ECGD's letter to its customers dated 4<sup>th</sup> March 2004 placed an unacceptable additional burden on applicants for ECGD support, and in some respects they were unworkable. The loose definition of 'Affiliate', for example, would have required some applicants to make declarations about the activities of companies (and all their directors and employees) that were outside of their control, with the threat of substantial financial penalties if those declarations proved to be incorrect. In addition, ECGD's requirement that all applicants should disclose commercially sensitive information about their agents was a matter of significant concern – especially as there was no certainty of ECGD being able to prevent wider disclosure of such information.

The revised procedures announced in ECGD's letter dated 5<sup>th</sup> November 2004 still place a heavy burden on applicants, but are far more practical than the previous version. Equally importantly, the changes that were introduced in December do not detract from ECGD's original aim of preventing tax-payers' money being put at risk in support of transactions that are tainted with bribery and/or corruption – and it bears repeating that these measures are additional to the stringent anti-bribery & corruption laws with which all applicants comply.

ALSTOM believes that the 'December 2004 procedures' strike a fair balance, and should be retained without further change.

Yours sincerely



**John Tyler**

Director of Insurance & Financing