



THE BRITISH
CHAMBERS OF
COMMERCE

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Ben Llewellyn
Export Credits Guarantee Department
PO Box 2200
2 Exchange Tower Harbour Exchange Square
London E14 9GS

14 June 2005

Dear Mr Llewellyn

ECGD consultation on anti-bribery and corruption procedures

I am writing to express the British Chambers of Commerce's (BCC) concerns in relation to the above consultation.

The BCC is the national voice of local business, representing over 135,000 firms across the UK and our business members employ more than five million people. Almost 20 per cent of our members operate within the manufacturing sector.

Many of the BCC's members are suppliers to companies that make use of export credit guarantees provided by ECGD.

Export credit guarantees are provided internationally and we are concerned that provisions under consideration could lead to an overly burdensome process that affects the international competitiveness of our manufacturing industry.

The BCC is of the opinion that the anti-bribery, corruption provisions in the December 2004 forms, coupled with the UK's already stringent money laundering laws, provide a sensible balance between the need to combat criminal activity of this nature and the need to ensure that the procedures are workable and practical for businesses to implement.

Indeed, these provisions represent a dramatic improvement on the unworkable procedures that were originally introduced in May 2004.

Our concern however is that, following this latest public consultation, the ECGD may revert to unworkable provisions.

It is vital that this does not happen.

New anti-bribery and corruption procedures of this nature will result in burdensome regulations and render the process of obtaining export credit guarantees more difficult and costly for firms.

If export credit guarantees are not easily accessible for companies then the UK firms that rely on it will be affected. Some may choose to contract their activity as a result, while others may decide to move certain aspects of their operations overseas to countries where export credit guarantees are more accessible.

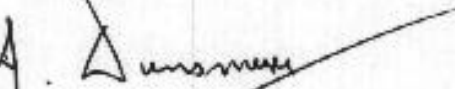
The overriding concern for our members is that an outcome is achieved that does not impinge on the competitiveness of the UK manufacturing industry as such a scenario would impact on firms down the supply chain.

Our manufacturing members that have contracts with firms that are detrimentally affected by any new procedures could face real difficulties if this results in these firms contracting out activity or shifting work abroad.

The manufacturing sector continues to struggle in the face of stiff global competition and it is crucial that any changes to the ECGD's anti-bribery and corruption procedures do not serve to further weaken the sector.

I trust that these comments are taken on board, and in the spirit in which they are intended, and please do not hesitate to contact me if you wish to discuss this matter further.

Yours sincerely

A handwritten signature in black ink, appearing to read "John Dunsmure". The signature is written in a cursive style and is positioned above the printed name.

John Dunsmure
Managing Director