

Witness Name: Sir Philip Robert Barton KCMG OBE

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## UK COVID-19 INQUIRY

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### WITNESS STATEMENT OF SIR PHILIP ROBERT BARTON KCMG OBE ON BEHALF OF THE SECRETARY OF STATE FOR FOREIGN, COMMONWEALTH AND DEVELOPMENT AFFAIRS

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I, **SIR PHILIP ROBERT BARTON KCMG OBE**, Permanent Under-Secretary of State  
("PUS") at the Foreign, Commonwealth and Development Office ("FCDO"), King Charles  
Street, London SW1A 2AH, **WILL SAY** as follows:

#### Section 1: Introduction

1. I make this statement on behalf of the Secretary of State for Foreign, Commonwealth and Development Affairs ("**Secretary of State**") for the United Kingdom ("**UK**") Covid-19 Inquiry ("**Inquiry**").
2. This statement pertains to Module 5 of the Inquiry, which examines the procurement and distribution to end-users across the four nations of the UK of key healthcare related equipment and supplies, including personal protective equipment (PPE), ventilators and oxygen, lateral flow tests and PCR tests, prior to and during the Covid-19 pandemic.
3. I am duly authorised by the Secretary of State to make this statement on his behalf.

4. The contents of this statement are true to the best of my knowledge and belief. Many of the matters referred to are not within my personal knowledge, so I have drawn on the recollections of those officials who were working on the matters relevant to this statement.
5. There is now produced and shown to me a paginated bundle of true copy documents marked 'PRB3'. All references to documents in this statement are to Exhibit PRB3 unless otherwise stated.
6. This statement has been prepared with the assistance of officials in the FCDO, including the FCDO's Covid-19 Inquiry Unit.
7. My statement reflects the Rule 9 Request dated 28 March 2024 and is structured as follows:

Section 1: Introduction .....	1
Section 2: Preliminary points .....	4
Section 3: My background .....	4
Section 4: Overview of the FCDO and its predecessors' roles, functions and responsibilities .....	5
The FCO .....	5
DFID .....	6
The FCDO .....	7
Impact of the merger of the FCO and DFID on work to support the procurement of PPE and other key healthcare equipment and supplies .....	8
Current role in relation to emergency response measures including managing pandemics .....	9
Section 5: Overview of the role of the FCDO and its predecessors in respect of Module 5 matters .....	10
Section 6: The FCO's and DFID's role in preparedness for international health emergencies prior to the pandemic .....	14
The FCO .....	15
DFID .....	19
Section 7: The FCO's role in procurement during the Covid-19 pandemic .....	22
Cross-HMG coordination .....	22
Procurement activity conducted by the China Network .....	30
Procurement activity at other overseas posts .....	37
Work contracted to consultancy services .....	42
Covid-19 monitoring and reporting .....	42
Section 8: Procurement processes, due diligence and conflicts of interest .....	44
Procurement processes .....	44
Buying instructions and guidance .....	46
Procurement experience and training .....	47
Due diligence .....	49
Conflicts of interest .....	51
Section 9: Project Defend .....	53
Section 10: Donations of key healthcare equipment and supplies .....	54
Donations received by the UK .....	54
Donations from the UK to other countries .....	54
Section 11: Lessons learned and reviews .....	55
Internal lessons learned exercises .....	55
Public reports .....	57
Changes implemented .....	57

## **Section 2: Preliminary points**

8. First to note, on behalf of the Secretary of State, that in relation to Module 5:
- 8.1 The Secretary of State welcomes the opportunity to provide evidence to the Inquiry. The Secretary of State supports the Inquiry in fulfilling its terms of reference.
- 8.2 The FCDO has gone to considerable effort to locate information and documents which respond to the Inquiry's requests. Notwithstanding the extensive information provided with this statement (and provided to date preceding this statement), the Secretary of State remains ready to assist the Inquiry further through the provision of additional information and documents.
- 8.3 As requested, this statement addresses the period from 1 January 2020 and 28 June 2022. On 2 September 2020, the Department for International Development ("DFID") and the Foreign and Commonwealth Office ("FCO") merged ("**the merger**") to form a new department, the FCDO. This statement therefore refers to the work of the FCDO as well as its predecessor departments, where appropriate.

## **Section 3: My background**

9. I have been the PUS at the FCDO since 2 September 2020. As PUS, I am a Senior Civil Servant and the principal Civil Service adviser to the Secretary of State, and his/her Ministerial team.
10. As the PUS, I am also responsible for the day-to-day management of the FCDO and I serve as its Accounting Officer. Additionally, in my role as the PUS, I am head of HM Diplomatic Service.
11. I joined the FCO in 1986 and have worked in the Civil Service since then. During my time as a civil servant, I have worked in a number of roles in the FCO and FCDO, both in the UK and overseas, including as British High Commissioner to India, British High

Commissioner to Pakistan and Deputy Head of Mission in the United States of America. I have also worked in the Cabinet Office and Number 10 Downing Street ("No 10").

#### **Section 4: Overview of the FCDO and its predecessors' roles, functions and responsibilities**

12. This section provides a summary of the overall roles and responsibilities of the FCDO and its predecessor departments. It also discusses the FCO and DFID merger, and the FCDO's current role in relation to emergency response measures.

##### The FCO

13. Prior to the establishment of the FCDO, the FCO's role was to lead HM Government's ("HMG's") global diplomatic network to advance British interests and act for the people of the UK around the world, supporting all HMG activity overseas. The Secretary of State for Foreign and Commonwealth Affairs had Cabinet-level responsibility, and the FCO was the lead government department within HMG for providing information and advice concerning international affairs, working with international partners, and formulating international policy.
14. The table below lists the FCO Ministerial team (and their respective portfolios) on 1 January 2020.

<b>FCO Ministerial team – 1 January 2020</b>	
<b>Minister</b>	<b>Role</b>
Rt Hon Dominic Raab MP	Secretary of State for Foreign and Commonwealth Affairs
Rt Hon Dr Andrew Murrison MP *	Minister for the Middle East and North Africa
Lord Ahmad of Wimbledon	Minister for the Commonwealth, the UN and South Asia
Rt Hon Christopher Pincher MP *	Minister for Europe and the Americas
Rt Hon Andrew Stephenson MP *	Minister for Africa

Rt Hon Heather Wheeler MP *	Parliamentary Under-Secretary for Asia and the Pacific
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15. On 13 February 2020, the Prime Minister conducted a Ministerial reshuffle and those with "\*" listed against their names ceased to be Ministers in the FCO. With effect from 13 February 2020, the new joint FCO/DFID Ministerial team, and their portfolios, was as follows:

<b>FCO/DFID Joint Ministerial Team – 13 February 2020</b>	
<b>Minister</b>	<b>Role</b>
Rt Hon Dominic Raab MP	Secretary of State for Foreign and Commonwealth Affairs
Rt Hon Anne-Marie Trevelyan MP	Secretary of State for International Development
Rt Hon Nigel Adams MP	Minister for Asia
Lord Ahmad of Wimbledon	Minister for the Commonwealth, UN and South Asia
Rt Hon James Cleverly MP	Minister for the Middle East and North Africa
James Duddridge MP	Minister for Africa
Rt Hon Lord Goldsmith of Richmond Park	Minister of State for the Pacific and the Environment
Rt Hon Wendy Morton MP	Minister for the European Neighbourhood and the Americas
Rt Hon Baroness Sugg CBE	Minister for the Overseas Territories and Sustainable Development

#### DFID

16. DFID's primary mission was to lead the UK's international work to end extreme poverty. The Secretary of State for International Development had Cabinet-level responsibility and overall oversight for the 'Global Goals' (also known as the 'Sustainable Development Goals' or 'SDGs'), and the department was responsible for tackling global challenges, in line with HMG's UK Aid Strategy. In January 2020, DFID employed approximately 3,500 staff.

17. The table below lists the DFID Ministerial team (and their respective portfolios) on 1 January 2020, up until the ministerial reshuffle on 13 February 2020 described above. Those with “\*” against their name ceased to be ministers in DFID. Aside from the joint FCO and DFID ministers listed above, Anne-Marie Trevelyan was Secretary of State for International Development from 13 February 2020.

DFID Ministerial Team – 1 January 2020	
Minister	Role
Rt Hon. Alok Sharma*	Secretary of State for International Development
Rt Hon Baroness Sugg CBE	Parliamentary Under Secretary of State
Rt Hon. Dr Andrew Murrison*	Minister for the Middle East and North Africa (joint FCO and DFID role)
Andrew Stephenson*	Minister for Africa (joint FCO and DFID role)
Rt Hon. Lord Goldsmith	Minister of State for the Pacific and the International Environment (joint with Department for Environment, Food and Rural Affairs)

#### The FCDO

18. As referred to above, the FCDO was established on 2 September 2020, uniting development and diplomacy in one new department bringing together Britain’s international effort. Pursuant to a Transfer of Functions Order, the functions of both the Secretary of State for Foreign and Commonwealth Affairs and the Secretary of State for International Development were transferred to the Secretary of State for Foreign, Commonwealth and Development Affairs. Reflecting this, the FCDO’s role since 2 September 2020 has been to lead HMG’s diplomatic, development and consular work around the world. [PRB3/001] [INQ000501877] Further details of the FCDO leadership structure as of September 2020 are provided in the Annex. For the remainder of this statement, both the Secretary of State for Foreign and Commonwealth Affairs and the Secretary of State for Foreign, Commonwealth and Development Affairs will be referred to as “**the Foreign Secretary**”, and the Secretary of State for International Development as “**the International Development Secretary**”.
19. The FCDO is the lead government department within HMG with responsibility for:
- 19.1 formulating and conducting the foreign policy of the UK including in respect of the UK’s bilateral relations with other States, international institutions (such as the United Nations), and the Commonwealth;

- 19.2 the UK's consular network and its consular work (which includes protecting British nationals overseas); and
- 19.3 the UK's overseas development work including in respect of the allocation of monies from the UK's Official Development Assistance ("**ODA**").
20. In early September 2020, the FCDO employed approximately 17,000 members of staff in the UK and in its global network, comprising British High Commissions in Commonwealth countries and British Embassies in non-Commonwealth countries ("**posts**"). **[PRB3/002] [INQ000100837]** Larger overseas countries may have one or more subordinate posts - usually Deputy High Commissions, British Consulates-General or Consulates - which report to the High Commission or Embassy in the capital.
21. The FCDO's global network provides a platform for the whole of HMG to deliver its international objectives overseas (often referred to as the 'One HMG' platform).
22. The FCDO also delivers its policy priorities through its representation to, and relationships with, multilateral institutions, for example the UK Missions to the United Nations in New York and Geneva, and the UK Delegation to NATO in Brussels.
23. The FCDO represents all parts of the UK, ensuring the international interests of devolved nations (i.e. Scotland, Wales and Northern Ireland) are represented, delivered and advanced.
24. The FCDO is also the lead government department for the fourteen UK Overseas Territories ("**OTs**").

Impact of the merger of the FCO and DFID on work to support the procurement of PPE and other key healthcare equipment and supplies

25. The Inquiry has asked about the impact of the merger on ongoing work that was being done during 2020 to support the Department of Health and Social Care ("**DHSC**") in the procurement of PPE and other key healthcare equipment and supplies.
26. The large majority of procurement activity described in this statement took place between March and August 2020, prior to the merger in September 2020. The FCO's contribution was primarily delivered through dedicated central teams (the FCO/DFID Coronavirus Taskforce, the Joint Assistance Coordination Team ("**JACT**") and subsequently the Department for International Trade ("**DIT**")-led Global Strategic Sourcing and Engagement Project ("**GSSEP**") and a limited number of overseas



posts. DFID was not involved in overseas procurement of medical supplies for use and distribution in the UK. Work to prepare for the merger prior to September 2020 was led by a separate UK-based team and I have identified no impact on the work to support DHSC in procuring healthcare-related equipment and supplies.

Current role in relation to emergency response measures including managing pandemics.

27. The FCDO is the lead government department for HMG's consular and overseas crisis response work. One of the FCDO's four 'Priority Outcomes', as set out in the 2023-24 Annual Report and Accounts, is to "support British nationals around the world by providing resilient 24/7 Consular services and agile crisis response". [PRB3/003] [INQ000528176] The FCDO's Consular and Crisis Strategy includes a focus on improving crisis contingency planning, ensuring it is focused on priority risks and draws on the full range of expertise to provide integrated consular, political and humanitarian support when a crisis happens. [PRB3/004] [INQ000501887]
28. While the FCDO is not responsible for domestic contingency planning for a pandemic, which is led by DHSC, the FCDO recognises that a future epidemic or pandemic will require complementary domestic and international responses. The FCDO invests in levels of global preparedness for outbreaks, epidemics and pandemics overseas, including in low- and middle-income countries, which is vital to the UK's national security. [PRB3/005] [INQ000501879] This includes ongoing negotiations, alongside DHSC, for a new World Health Organisation ("WHO") Pandemic Accord, with the aim of agreeing and adopting the instrument at the World Health Assembly in May 2025. Approximately 70 percent of the text has been provisionally agreed. There are a wide range of provisions in the draft that aim to strengthen global availability of – and more equitable access to – pandemic-related vaccines, tests and treatments. Other FCDO work in 2023/24 in relation to pandemic preparedness included ODA programmes to strengthen health systems in lower income countries and participation in a United Nations high level meeting on tackling antimicrobial resistance.
29. The FCDO Executive Committee ("ExCo") reviewed the organisation's capability to respond to major disease outbreaks, epidemics and pandemics in October 2023, and agreed to a programme of work to bolster our capability. There are three pillars to this work: bolstering our disease management expertise across the organisation; reviewing relevant programming to support countries affected by disease outbreaks; and further developing our agility to respond to a range of health scenarios. The FCDO has developed guidance to support headquarters teams and overseas posts to respond to

a future outbreak or epidemic that could escalate into a pandemic. This covers a range of considerations, including engagement with local and regional actors, support to host governments, changes to travel advice and consular support to British nationals. The FCDO has also established a dedicated group to drive planning for a range of health scenarios, which meets on a regular basis.

## **Section 5: Overview of the role of the FCDO and its predecessors in respect of Module 5 matters**

30. In this section, I will give a high-level overview of the FCO's role in relation to the procurement and distribution of key Covid-19 healthcare equipment and supplies for the UK. A detailed description of these activities along with the supporting evidence is then provided in Section 7.
31. As agreed in correspondence with the Inquiry, I will not cover DFID's activities in detail as DFID was not involved in overseas procurement of healthcare equipment and supplies for use and distribution in the UK, and DFID's ODA budget was not used to procure directly Covid-19 healthcare supplies. In summary, DFID supported developing countries to respond to Covid-19 and worked to increase the global production of healthcare supplies. [PRB3/006] [INQ000501812] [PRB3/007] [INQ000501813] The UK was one of the largest donors to the international response to the Covid-19 pandemic, committing up to £1.3 billion of UK aid by December 2021 to help end the pandemic and address its impacts. [PRB3/008] [INQ000528173] The UK is a leading donor to the WHO and the largest donor of core funding, providing £340 million between 2020 and 2024. This unearmarked, fully flexible funding supported the organisation to pivot its response to meet the highest global health priority needs during the Covid-19 pandemic. This included the WHO's work with governments, industry and the Pandemic Supply Chain Network to boost production of PPE and to secure allocations for critically affected and at-risk countries. [PRB3/009] [INQ000528174]
32. The £100 million DFID/FCDO Manufacturing Africa programme also responded to Covid-19 by re-orienting activities to support investors and local governments in their response. [PRB3/010] [INQ000528177] Between January 2020 and June 2022, the programme supported 10 firms in the health sub-sector across Africa focussed on

PPE, test kits and vaccinations. In addition, Manufacturing Africa supported the Ethiopia Investment Commission to redirect local firms' manufacturing capacity towards PPE and sanitiser production to increase local availability of supplies through the pandemic. Two companies supported by Manufacturing Africa – one in Kenya (2020) and the other in Rwanda (2022) – raised a total of £46 million in investment to support the domestic and regional Covid response, including through regional export of PPE. The focus of the programme was to support the Covid-19 response in Africa, and to our knowledge those companies supported did not export PPE outside of the region, including to the UK.

33. The FCDO welcomed the Independent Commission for Aid Impact's (ICAI) review of the UK aid response to Covid-19. The report noted that the UK Government centralised the procurement of PPE and other equipment under the Department of Health and Social Care (DHSC), and that DFID was directed not to procure Covid-19-related medical supplies directly, to avoid any perception that the aid programme was competing with the UK's domestic needs. The report noted that DFID therefore encouraged its partner countries to obtain supplies through multilateral channels, such as the WHO. It also noted this was consistent with the position taken by most other donors that procurement was best undertaken by the multilateral system. Overall, ICAI's review concluded that the initial UK aid response was "rapid, credible and appropriate", drawing on learning from previous crises and the experience and knowledge of staff, and benefiting from earlier investments in preparedness for health emergencies. ICAI found that initial priorities were well grounded in the evidence available and that the UK Government moved quickly to put in place mechanisms to monitor emerging Covid-19 risks and vulnerabilities. **[PRB3/011] [INQ000421125]** The FCDO published a formal response to ICAI's recommendations. **[PRB3/008] [INQ000528173]**
34. The FCO played a supporting role in cross-government efforts to procure Covid-19 healthcare equipment and supplies for use in the UK. Prior to the Covid-19 pandemic, the FCO was not involved in the procurement of key healthcare equipment and supplies for UK end users. The FCO's existing procurement activity covered a wide range of goods, services and works, from construction and maintenance of overseas missions to technical assistance and goods across a range of sectors, to support its operations as well as those of HMG partners on the FCO's platform overseas. The FCO also oversaw procurement frameworks to support the delivery of cross-government funds such as the Conflict Stability and Security Fund or the Prosperity

Fund. [PRB3/012] [INQ000106008] Therefore, while the FCO had previously conducted extensive procurement of goods and services overseas, supporting the procurement of healthcare equipment for use in the UK was a new exercise which relied on different supply chains and expertise.

35. Given this, the FCO's role in supporting the procurement of healthcare equipment and supplies during the relevant period is better contextualised within its broader role of using its global diplomatic network to advance UK interests. The need to acquire healthcare equipment and supplies at speed was critical to UK interests. From 13 March 2020, HMG decided to pursue all available options to acquire as many ventilators as possible, as quickly as possible. No 10 judged that this required diplomatic action overseas and directed tasking to the FCO. Over time, the FCO's supporting role would grow as the need to secure key healthcare equipment for use in the UK became more apparent. The FCO did not have prior experience of the procurement of healthcare equipment and supplies, or the management of global healthcare supply chains, and had to work closely with other government departments that had the specific knowledge required, principally DHSC and DIT.
36. In response to the initial tasking on ventilators, the China Network (including staff at the British Embassy ("BE") Beijing, other posts in China and remote workers) worked in partnership with headquarters teams in the FCO and DIT to support DHSC in identifying ventilator suppliers in China and place orders at speed. At this time, the FCO was on a crisis response footing and supporting cross-government efforts to secure healthcare equipment was a priority, balanced alongside its global repatriation operation for British nationals overseas (described in detail in the FCDO's Module 2 Corporate Witness Statement). Section 6 provides further information on the FCO's approach to crisis management. As demand for other healthcare equipment and supplies in the UK evolved, so did the FCO's role and, over the course of March to August 2020, the FCO worked in partnership with DIT and DHSC in the UK and used its network of overseas posts to support a broad range of activities intended to secure supplies.
37. Given the importance of China as a manufacturer of healthcare equipment and supplies at the time of the pandemic, the role of the China Network was distinct to that of other overseas posts. The China Network had three functioning posts in March 2020: BE Beijing and consulates in Shanghai and Guangzhou. Two additional posts – consulates in Wuhan and Chongqing – were closed in February 2020 when staff were withdrawn because of challenges accessing medical care and the imposition of travel

restrictions. The wider China Network also included BE staff working remotely, outside of China, because of the restrictions in place at the time. It consisted of FCO staff as well as colleagues from DIT and other government departments. Data gathered by the China Network shows that they supported DHSC and the NHS to place orders for healthcare equipment and supplies to a value of more than £1 billion over the course of 2020. **[PRB3/013] [INQ000501875]** This support included: identifying suppliers; verifying stock; supporting due diligence; negotiating contracts and in some cases signing contracts on behalf of DHSC; and supporting export logistics. The work required a significant reallocation of China Network resource away from its core business, to support urgent procurement activity. Procurement processes based on cross-departmental working were established at pace in response to the evolving need for healthcare equipment in the UK, with DHSC having Accounting Officer responsibility. To the best of my knowledge and belief, DHSC was the decision-maker on new contracts at all times, with the China Network providing assistance in China.

38. Elsewhere in the FCO overseas network, work to support the government-wide effort on healthcare equipment and supplies varied according to demand from DHSC and other government departments. It included reporting on availability of equipment and supplies in-country; assessing local markets and identifying potential suppliers; conducting basic supplier checks on behalf of DHSC; supporting export logistics; liaising with foreign governments on donations of equipment; and lobbying host governments to secure exports. Diplomatic engagement with host governments included engagement by ministers, Heads of Mission ("**HoMs**") (the senior leaders heading diplomatic missions overseas) and other FCO staff, for example, to help overcome logistics or export control issues. The FCO's role outside of China was therefore one of facilitation and support, and the FCO did not track whether this support led to DHSC entering new contracts or suppliers delivering against existing contracts.
39. DIT analysis shows that by the end of July 2020 combined cross-government efforts resulted in overseas orders for approximately 6,700 ventilators and 30.9 billion items of PPE. **[PRB3/014] [INQ000501867]**
40. In the UK, the FCO worked with DHSC and DIT to establish JACT in order to coordinate information sharing and requests relating to the procurement of healthcare equipment and supplies across HMG. In May 2020, DIT took on leadership of this work through establishment of GSSEP given its related expertise in trade and investment.

FCO central involvement reduced after this, although overseas posts continued to play a role in response to commissions and requests from DIT or DHSC.

41. DIT staff at overseas posts played a leading role in pandemic-related procurement activity with assistance from staff from other departments at post where necessary. The China Network established shift systems to work on procurement within its broader Covid-19 crisis response operation, which drew in staff from DIT, the FCO, the Ministry of Defence ("**MOD**"), UK Visas and Immigration ("**UKVI**") and other departments in a 'One HMG' approach. In other overseas posts, arrangements were more ad-hoc, but broadly reflected the policy competence of respective departments, with DIT staff leading on identifying suppliers and supporting due diligence, and FCO staff leading on diplomatic engagement to overcome export restrictions and logistical issues. HoMs provided strategic leadership, "*leading and co-ordinating HMG's activity*" in their respective host countries and "*ensuring a coherent cross-government approach*", consistent with governance arrangements in place at that time. **[PRB3/015]**  
**[INQ000493741]**
42. In this statement I have differentiated between the activities of FCO and DIT staff at overseas posts to the extent possible and focused my account on the role of the FCO. Nevertheless, because the policy at the time and since was for overseas posts to work as 'One HMG', and the FCO and DIT worked on the same IT systems, it is not always possible to attribute activity to the home department of the individuals involved. Furthermore, in a fast-moving and protracted crisis response situation, it is usual for staff to work shifts using generic functional email accounts in areas outside their usual areas of operation.

#### **Section 6: The FCO's and DFID's role in preparedness for international health emergencies prior to the pandemic**

43. In this section, I explain the FCO's and DFID's roles in planning, readiness and preparedness for international health emergencies prior to the Covid-19 pandemic across a number of functions. It is important to note that supply chain management and overseas procurement of key healthcare equipment and supplies for UK end users are not specifically reflected in these plans, because neither department had a role in this area prior to the pandemic.

## The FCO

### *Crisis management*

44. The FCO's structures, processes, planning and preparedness for crises overseas (including a possible global pandemic) were overseen by the Crisis Management Department ("**CMD**"), within the FCO's Consular Directorate. The FCO's approach to a crisis was (and is) set out in its Crisis Management Doctrine ("**Crisis Doctrine**"), which is updated periodically. The version in place in January 2020 had been published in December 2019 and defined a crisis as "*a specific and exceptional mode of operation, outside of normal business, caused by an event or situation which overwhelms the FCO's ability to operate as normal*". [PRB3/016] [INQ000100879]
45. The Crisis Doctrine stated that the FCO was likely to be the lead government department for a crisis overseas which:
- 45.1 *"Threatens or involves serious damage to the human welfare or security of a significant number of British or other eligible persons overseas or severe disruption to their ability to travel, leading to an increased requirement for assistance and advice, including consular assistance;*
  - 45.2 *Threatens or involves a serious impact on UK strategic interests requiring an extraordinary, coordinated foreign policy response, working with other UK Government departments and external organisations;*
  - 45.3 *Threatens or involves serious damage to the human welfare, security or environment of a UK Overseas Territory;*
  - 45.4 *Attracts high levels of parliamentary, media and public interest requiring coordinated, consistent and effective communications from across the FCO and wider UK Government."* [PRB3/016] [INQ000100879]
46. In addition, the FCO's processes, structures, planning and preparedness for crises overseas included:
- 46.1 a clear command structure in the FCO in London (the 'Gold, Silver, Bronze' model);
  - 46.2 an 'all-risks' approach to crisis preparedness, in other words, the expectation was that the FCO would have the right practices, procedures, systems and

structures to be able to respond to a range of different crises rather than having a different plan for each type of crisis;

- 46.3 enhanced crisis training and exercising capability across the FCO's global network;
  - 46.4 an expanded cadre of trained FCO volunteers to assist the UK crisis response and UK and Regional Deployment Teams to support posts;
  - 46.5 a 'lessons learned' process to take place after each crisis; and
  - 46.6 reflecting the above changes, updated guidance, checklists and templates on roles and responsibilities and information management in a crisis. **[PRB3/017]**  
**[INQ000501906]**
47. A bespoke IT system, Crisis Hub, enabled FCO staff around the world and colleagues in other HMG departments to access and update the same information in real time during crises, and British nationals to request assistance by text message and online.
48. The CMD oversaw the FCO's work to prepare for crises. In January 2020, CMD had an established network of regional crisis advisers ("**RCAs**") based at overseas posts who provided advice to these posts in preparing for and managing crises. The Crisis Doctrine set out that CMD was also able to provide "*enhanced support*" in the UK, whereby its expertise was drawn upon to advise and support FCO directorates where there was a reasonable expectation that the department would need to enter crisis response mode. **[PRB3/016]** **[INQ000100879]**
49. In addition to resources from CMD, FCO directorates in the UK could draw on the following resources during a crisis:
- 49.1 London Response Team ("**LRT**"), a cadre of crisis-trained FCO staff who were rostered on-call on average one week in every five for immediate deployment in the UK to support a crisis response. In January 2020, there were approximately 200 active LRT staff with 25 on call at any given time.
  - 49.2 Directorate Crisis List ("**DCL**") staff. From 2018, 20% of staff in each of the FCO's directorates in the UK were required to be crisis trained and directors were obliged to release these staff to support a crisis response if the PUS directed that such additional surge capacity was required. In January 2020, there were approximately 500 members of FCO staff on DCLs.



50. Overseas, in addition to staff from the post itself, depending on the scale and nature of the crisis, the following support was available during a crisis:

50.1 Rapid Deployment Teams ("RDTs"). In January 2020, there were approximately 220 RDT members across the FCO's global network, on five regional hub rosters, with up to ten RDT volunteers on standby for each regional roster at any given time, totalling up to 50 volunteers on standby at any given time across the FCO's global network;

50.2 Staff from neighbouring posts to provide surge capacity;

50.3 The FCO's Consular Contact Centre, with teams in Malaga and Ottawa.  
Combined with outsourced call handling services if required;

50.4 Wider HMG expertise - depending on the scale and nature of the crisis, staff from other parts of HMG, for example MOD Operational Liaison and Reconnaissance Teams ("OLRTs"), the UK Police and DFID, provided support on the ground or from the UK; and

50.5 Non-governmental organisations ("NGOs"), for example the British Red Cross.

51. Every overseas post was required to have an up-to-date crisis management plan ("CMP"), reviewed and tested at least once a year and signed off by the HoM and the geographical director in the UK. Geographical directorates were responsible for maintaining these, working with the CMD and stakeholders across HMG, in particular the MOD and DFID.

52. Until 2011, posts had been required to maintain and test a pandemic crisis plan. When the all-risks approach to crisis preparedness, described above, was adopted in 2011 however, posts were no longer required to have different plans for different crisis scenarios. Thus, from 2011, posts were not required to maintain and test a separate pandemic crisis plan.

53. The FCO in the UK and its overseas posts regularly tested their crisis preparedness through 'semi-live' exercises (responding to a plausible real-life situation, with a simulated real life operational timeline) and 'table-top' exercises (structured discussions of crisis roles and responsibilities in response to a plausible real-life situation). Every overseas post was required to undertake at least one semi-live exercise to test its crisis preparedness each year.

54. On the basis of information from the FCO's overseas posts and geographical directorates in the UK, the CMD would advise on whether a move was necessary into "crisis watch" or full "crisis mode". FCO's Crisis Doctrine set out that crisis watch was an alert state which posts could move into to respond to developing situations. If the situation continued to worsen, posts would consider a move into full crisis mode.
55. A move into full crisis mode overseas would be taken when the risk of a directorate or post being overwhelmed was unacceptably high (or had already occurred). While in crisis mode, the FCO in London and its overseas posts were required by the Crisis Doctrine [PRB3/016] [INQ000100879] to continue to issue regular sitreps, whose aim was to convey a single version of the information relevant to the crisis in a simplified format.

#### *Monitoring health emergencies abroad*

56. The FCO was the lead government department in providing information and advice on international affairs, working with international partners, and formulating international policy. The FCO's overseas posts and geographical directorates in the UK were responsible for monitoring emerging issues and providing early warning in their respective geographical areas.
57. One way in which the FCO would disseminate information and advice on international affairs to HMG was through Diplomatic Telegrams ("DipTels"). I refer to a guidance note which explains DipTels in further detail. [PRB3/018] [INQ000106029].
58. Overseas posts sent DipTels reporting on overseas civil emergencies, whole system emergencies and health emergencies in which there was an actual or potential UK interest. Such DipTels were not intended to substitute for data and modelling by the WHO or other agencies, or epidemiological data gathered by the Joint Biosecurity Centre ("JBC") but provided local context and an assessment of the impact on UK interests.
59. From 2018, CMD used a crisis horizon scanning tool ("HST") (which it had developed in-house) for risk management and early identification of crises overseas. [PRB3/019] [INQ000106002] The FCO further undertook, and shared with other parts of HMG, horizon scanning of geopolitical threats and opportunities drawing on internal and external expertise. One example of this was the annual "The World in [year]" reports, in which the FCO's Strategy Directorate set out its predictions for geopolitical trends and themes for the coming year. This product was established specifically to enable

the FCO to support the National Security Council's ("NSC") planning for foreign policy issues in the year ahead. It was discussed by NSC at Officials level ("NSC(O)") annually in December or January, and shared with FCDO Ministers, the Prime Minister and officials across HMG.

60. A further source of data regarding health emergencies abroad related to the FCDO's role in issuing travel advice to inform decisions by British nationals about travelling abroad. In 2002, the National Travel Health Network and Centre ("NaTHNaC") was commissioned by Public Health England ("PHE") to provide travel health advice to the British public. The FCO used data and advice from NaTHNaC, alongside other advice from PHE in planning for, preparing for and managing the risk to British nationals overseas of high consequence infectious diseases, and pandemics. This included issuing travel advice to inform decisions by British nationals about travelling abroad.

## DFID

### *Investment in global health*

61. Prior to the pandemic, DFID provided financial and technical assistance to strengthen international global health systems and support medical and technical research into global health threats to protect the poorest and most vulnerable people in the world. For example, between 2010 and 2019 the UK spent ODA of between £780 million and £1,431 million per year bilaterally on health, the majority of which was spent by DFID.  
**[PRB3/020] [INQ000501907]**

### *Work with the WHO*

62. DFID also worked with international organisations, international financial institutions, national governments and NGOs to increase the preparedness and resilience of the world's poorest countries for international health emergencies. This included the WHO.
63. When the 2013-2016 Western African Ebola epidemic highlighted the need to strengthen the global health architecture, specifically the WHO, the UK supported the need for the WHO to reform. **[PRB3/021] [INQ000113096] [PRB3/022] [INQ000113097] [PRB3/023] [INQ000113098] [PRB3/024] [INQ000113099]** Echoing the findings of an independent expert Advisory Group, DFID's 2016 Multilateral Development Review **[PRB3/025] [INQ000113122]** identified an urgent need for WHO reforms so as more effectively to direct and coordinate international action on health emergencies. Working closely with DHSC, DFID provided financial and technical assistance to support the WHO reforms, and the UK's Chief Medical Officer and

DFID's Senior Representative at UKMIS Geneva jointly led HMG's engagement with the WHO to improve its effectiveness.

64. In 2016, to encourage reform, performance-based financing was introduced into DFID's Core Voluntary Contribution ("CVC") to the WHO. DFID's overall Performance Agreement for the CVC [PRB3/026] [INQ000113123] included targets to incentivise progress in four priority areas of reform, one of which was reliable, effective response to health emergencies. DFID reviewed the WHO's performance annually against the key deliverables. [PRB3/027] [INQ000113138]
65. The above work to reform the WHO, supported by DFID, led to improvement in the WHO's response to health emergencies and to administrative reforms, with improved articulation of priorities and results, financial management and value for money.

*Monitoring health emergencies abroad*

66. The importance of swift, early action in response to new disease outbreaks in developing countries was the rationale for the establishment in 2016 of DFID's EpiThreats Group. [PRB3/028] [INQ000113110] This provided a horizon-scanning, monitoring and risk assessment function in relation to emerging epidemic threats, to ensure evidence-based, timely, proportionate responses from across HMG when required.
67. The EpiThreats Group was a key mechanism through which staff from DFID Country Offices were able to flag potential new infectious disease threats and any concerns they might have about the adequacy of the response on the ground. The EpiThreats Group considered whether established national and international mechanisms were ready to respond to a health emergency with a clear, strategic approach, and whether enhanced action might be needed, including, for example, whether there was a need for a stronger response from key international and regional agencies (such as the WHO or the Global Alliance for Vaccines and Immunisations ("GAVI")), or platforms (such as the Tackling Deadly Diseases in Africa Programme ("TDDAP")). It also served as a focal point for discussion of DFID's overall policy, approach to, and learning from epidemics, drawing on external expertise and evidence, through participation by specialists from across HMG, including DHSC and PHE. In situations where there was a concern about wider disease spread, the EpiThreats group supported countries to agree triggers for increased action (for example, for the 2018-19 DRC Ebola Outbreak).

68. The EpiThreats Group updated DFID senior management on any cross-departmental response to epidemics requiring resource allocation from DFID and coordinated with other HMG departments if an issue required a cross-HMG response. **[PRB3/029]**  
**[INQ000113135]**
69. The EpiThreats Group met monthly, with additional meetings organised to discuss any arising epidemic threats. DFID's Chief Scientific Adviser ("**CSA**"), a Professor in Social and Mathematical Epidemiology, and the Conflict, Humanitarian and Security ("**CHASE**") Director co-chaired the Group. Regular DFID attendees included health and humanitarian advisers, the most relevant Country Office officials from the affected country, officials working with relevant international partners, such as the WHO and GAVI and officials overseeing regions, including connections with country programmes. Where an issue required cross-HMG coordination and/or an assessment of the risk to the UK, wider HMG attendees included specialists from PHE, the Cabinet Office's Civil Contingencies Secretariat ("**CCS**") and the Government Office for Science ("**GO-Science**").
70. Records of EpiThreats Group meetings were shared with DFID and other HMG attendees and senior officials within DFID. **[PRB3/030]** **[INQ000113124]**
71. In relation to the Covid-19 pandemic, the EpiThreats Group met on 21 January 2020 to share information on the emergence of a novel Coronavirus in China. **[PRB3/031]**  
**[INQ000113117]** DFID'S CSA and Head of Health Profession submitted a briefing to the DFID Secretary of State and DFID Ministers on 23 January 2020 **[PRB3/032]**  
**[INQ000113102]**, based on WHO and Scientific Advisory Group for Emergencies ("**SAGE**") modelling. The work of the EpiThreats Group in this regard was focused on the impact of Covid-19 in developing countries. It was complementary but parallel to work elsewhere in HMG that was considering the UK domestic implications of the emergence and spread of Covid-19.
72. DFID's CSA attended and contributed to SAGE meetings, and health advisers contributed to, and drew upon, the analyses from SAGE, and the modelling and clinical groups the Scientific Pandemic Influenza Group on Modelling ("**SPI-M**") and the New and Emerging Respiratory Virus Threats Advisory Group ("**NERVTAG**"), to help inform DFID's support for the international response to Covid-19 in developing countries. In addition, a DFID Senior Health Adviser, based in China, engaged with respective state agencies in China. DFID Country Offices were provided with the latest information and

guidance, so that they could ensure that there was sufficient health awareness and disease surveillance through the WHO and foreign state Ministries of Health.

## **Section 7: The FCO's role in procurement during the Covid-19 pandemic**

73. In this section of the witness statement, I will describe in detail the FCO's role in supporting the procurement of healthcare equipment and supplies, and how and why this evolved over time. By the FCO, I mean both our UK offices and relevant overseas posts. In the interests of clarity in the statement, I have grouped activities according to cross-HMG coordination; procurement activity conducted by the China Network; procurement activity conducted by other overseas posts; and wider Covid-19 monitoring and reporting.

### Cross-HMG coordination

#### *The International Ministerial Implementation Group (IMIG)*

74. The International Ministerial Implementation Group ("IMIG") was one of four ministerial implementation groups announced by the Prime Minister on 17 March 2020. These were cross-government committees, focusing on different aspects of the pandemic. IMIG directed the UK's role in the delivery and coordination of the international health and economic response.

75. There were two IMIG formations:

75.1 IMIG(M): This usually took place three times a week. The Foreign Secretary chaired the IMIG(M), and the International Development Secretary was part of the core membership. In support of Ministers, Directors General (DGs) Menna Rawlings or Simon Manley attended for the FCO and DG Richard Clarke or Acting Permanent Secretary Nick Dyer attended for DFID. Where an FCO or DFID paper was on the agenda, the responsible director might also attend.

**[PRB3/033] [INQ000183921] [PRB3/034] [INQ000421068]**

75.2 IMIG(O): This usually took place twice a week. It was chaired by the Deputy National Security Adviser and its objective was to prepare IMIG(M). Simon Manley (FCO), Menna Rawlings (FCO), Richard Clarke (DFID) and Nick Dyer (DFID) were also attendees.

76. Following the first IMIG meeting on 18 March 2020, IMIG agreed four international priorities (known as “the Four Point Plan”) [PRB3/035] [INQ000100858]:

76.1 A strong and co-ordinated global health response, particularly for the most vulnerable countries;

76.2 Finding a vaccine, new drugs and expanding testing;

76.3 An economic response to protect global trade and supply chains; and

76.4 To support British nationals overseas, including to return to the UK.

#### *The Covid-19 Strategy and Operations Committees*

77. On 28 May 2020, two new Covid-19 related Cabinet Committees chaired by the Prime Minister and the Chancellor of the Duchy of Lancaster replaced Ministerial Implementation Groups: the Covid-19 Strategy Committee (“**Covid-S**”) and the Covid-19 Operations Committee (“**Covid-O**”). These groups ensured cross-government direction and oversight, as well as driving delivery and providing assurance on the UK-wide implementation of the Covid-19 response. [PRB3/036] [INQ000087165]

78. The Foreign Secretary attended meetings of Covid-S and Covid-O. Senior officials attended when appropriate to support him. [PRB3/037] [INQ000147649]

#### *The Coronavirus Taskforce*

79. The FCO/DFID Coronavirus Taskforce (“**Coronavirus Taskforce**”) came into being in response to a request on 5 February 2020 from a Cabinet Office Briefing Room Ministerial meeting (“**COBR(M)**”) for a cross-HMG group to consider implications of further international spread of Covid-19. It was jointly led by DFID and FCO DGs, was intended to operate separately and alongside crisis operations, and was not formally governed by the Crisis Doctrine. At its inception, the procurement of healthcare equipment and supplies was not one of the Taskforce’s primary functions. It evolved a number of times, reflecting both the changing global situation and HMG requirements, as well as experience of what worked well and what needed to be further refined. As described in more detail below, at the outset of the FCO’s role in procurement, DHSC and No 10 liaised with the Coronavirus Taskforce to seek assistance from overseas posts in identifying potential suppliers.

80. In mid-March 2020, the Coronavirus Taskforce was restructured against the backdrop of HMG refocussing almost all governmental work on Covid-19 related matters. The

then PUS decided on 17 March 2020 to move the entire FCO into a whole of organisation mobilisation to respond to the Covid-19 pandemic, which meant that most FCO staff could be re-allocated to Covid-19 matters and, where needed, surged into the Coronavirus Taskforce.

81. There were around that time three separate workstreams within the Coronavirus Taskforce (see Figure 1 below):

81.1 "Policy, Information and Briefing" — responsible for providing Covid-19 briefings, information and data;

81.2 "International Engagement, Strategy and Planning" — responsible for defining the strategy for the Coronavirus Taskforce in regard to international engagement; and

81.3 "Operations" — responsible for staffing and the corporate operations of the FCO.



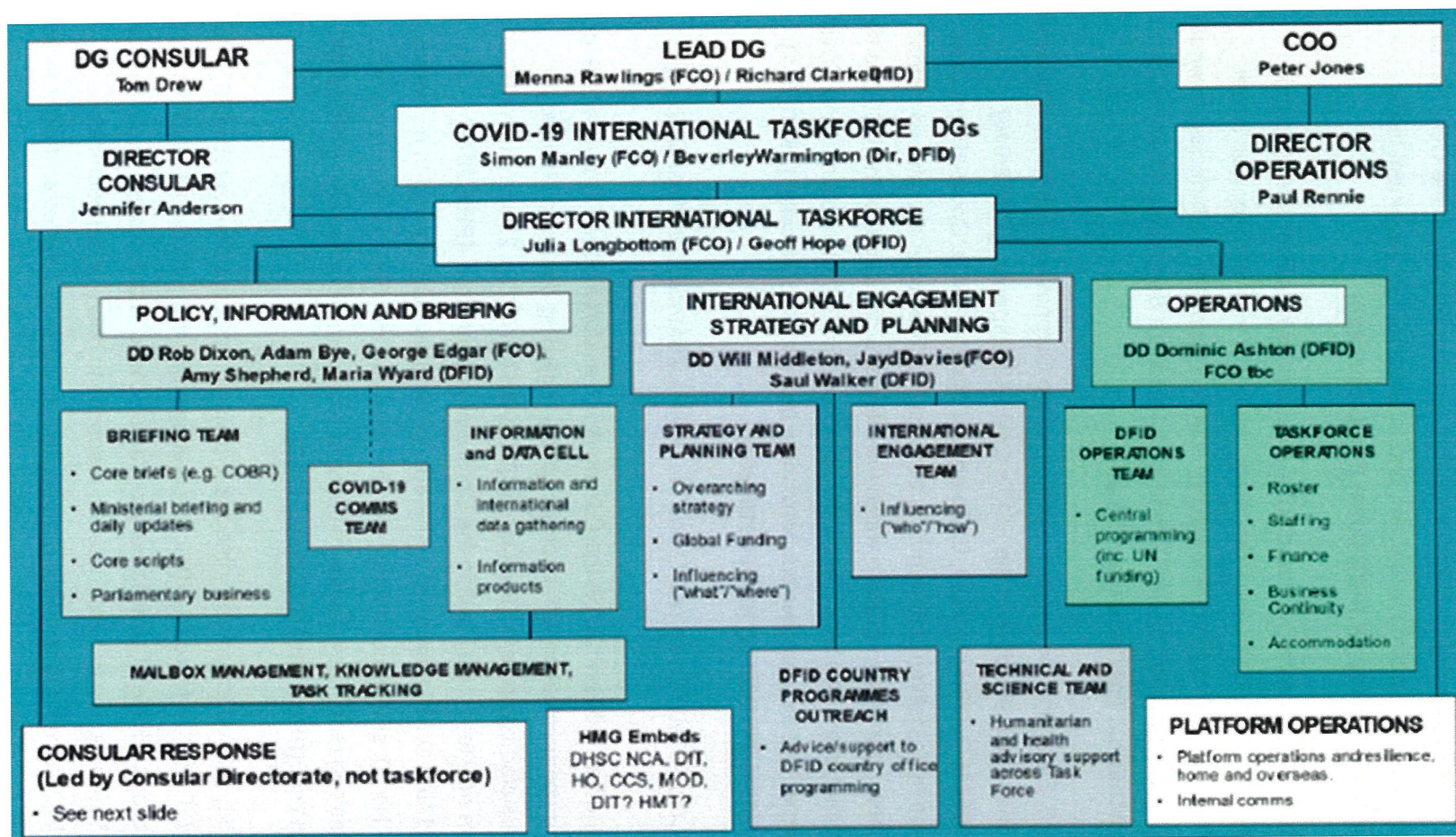


Figure 1: Organogram of the Coronavirus Taskforce, 13 March 2020

82. From 20 March 2020, the Coronavirus Taskforce structure was further refined, adopting a simpler 'command-and-control' system, a central feature of which was a joint-DG lead, Simon Manley and Menna Rawlings, supported by a director-led secretariat. Underneath that secretariat sat four director-led teams: the Consular team, Operations team, Communications team, and International Engagement team. **[PRB3/038] [INQ000051619] [PRB3/039] [INQ000051620]**
83. The Coronavirus Taskforce DGs (and some directors as required) attended daily 'huddle meetings' with the Foreign Secretary, where he took decisions on issues presented to him by officials in the meeting. A written record of such decisions would be noted and disseminated by the Coronavirus Taskforce Secretariat for action by the relevant Coronavirus Taskforce workstream.
84. In April 2020, ExCo and the senior leadership of the Coronavirus Taskforce considered the future shape and structure of the FCO's Covid-19 response. **[PRB3/040] [INQ000089534]** On 28 April 2020, ExCo agreed that the FCO's Covid-19 response should cease to be delivered through the Coronavirus Taskforce and should instead move to a new permanent structure within the internal architecture of the FCO, as the Covid-19 Directorate. This would allow the continuing FCO work responding to Covid-19 to be carried out by a smaller but permanent team of FCO officials. **[PRB3/041] [INQ000089531] [PRB3/042] [INQ000100866]**

*The Assistance Coordination Team (ACT) and the Joint Assistance Coordination Team (JACT)*

85. In the second half of March 2020, the Coronavirus Taskforce began to play a role in coordinating communication with overseas posts regarding domestic demand for healthcare-related equipment. **[PRB3/043] [INQ000501749]** By 23 March, the FCO had set up a new team, ACT, within the Coronavirus Taskforce. **[PRB3/044] [INQ000501750]** On 26 March, ACT shared a briefing on FCO support to procurement efforts with No 10, setting out the top six markets it had identified for ventilators and PPE, and making recommendations to improve procurement outcomes. **[PRB3/045] [INQ000501754] [PRB3/046] [INQ000501753]**
86. Responding to a need for greater joined up working on procurement across HMG, ACT became JACT from 27 March 2020, incorporating staff from DHSC, DIT, and the FCO to facilitate the purchase of healthcare supplies by DHSC with the support of overseas posts. JACT also helped to coordinate the response to offers of donations from overseas. JACT worked in coordination with the Coronavirus Taskforce. It incorporated

a DIT-led unit working with commercial partners and aimed to help meet the Prime Minister's target of 8,000 ventilators by 13 April 2020. [PRB3/047] [INQ000493794] [PRB3/048] [INQ000493790] [PRB3/049] [INQ000489562] [PRB3/050] [INQ000489563] [PRB3/051] [INQ000489560] [PRB3/052] [INQ000489564] [PRB3/053] [INQ000489565] [PRB3/054] [INQ000489553] [PRB3/055] [INQ000528162]

87. On 10 April 2020, the joint DIT and FCO directors of JACT wrote to all HoMs and HM Trade Commissioners ("HMTCs") (HMTCs led the UK overseas effort to promote UK trade, investment, trade policy and export finance) stating that, as a result of their quick and effective engagement since 27 March 2020, several thousand ventilators had been ordered from overseas markets, and efforts were focussed on their delivery. The same message communicated that JACT continued to maintain its requirements for PPE, that the latest priorities in that regard were gowns, body bags and masks (with specifications provided), and that testing kits and medicines (again with specifications provided) also needed to be the subject of overseas procurement efforts. [PRB3/056] [INQ000501787] [PRB3/057] [INQ000492403] [PRB3/058] [INQ000489592] [PRB3/059] [INQ000501790] [PRB3/060] [INQ000489590]
88. JACT coordinated and produced regular, detailed updates on the procurement of healthcare supplies with which it was involved, in the form of sitreps, which also recorded decisions and actions arising from meetings. These included a tracker table relating to ongoing and potential procurement activity.

*The Global Strategic Sourcing and Engagement Project (GSSEP)*

89. DIT took on greater leadership for work to source and secure healthcare-related equipment and supplies overseas through setting up GSSEP, which began to subsume JACT in May 2020 and replaced it by 8 June 2020. [PRB3/061] [INQ000501827] GSSEP was led by a DG in DIT working to the DIT Permanent Secretary as Senior Responsible Owner ("SRO"), with Ministerial and Prime Ministerial oversight. It was made up mainly of DIT staff with some support from the FCO. [PRB3/062] [INQ000501857]
90. GSSEP had a broad procurement focus, reflecting a requirement for a range of healthcare supplies including PPE and medicines. GSSEP aimed to develop strategic partnerships with key supply countries. It made recommendations on ministerial engagement and was responsible for developing a single information picture of HMG's

work on healthcare supplies overseas. As with JACT, it coordinated the efforts of DIT and FCO staff in a given country in line with DHSC needs to support a faster and more agile process. [PRB3/061] [INQ000501827]

91. HoMs and HMTs in Beijing, Seoul, Singapore, New Delhi, Ottawa, Washington, Mexico City, Cairo and Ankara, and the Representative of the British Office Taipei ("BOT") were asked: to work with dedicated GSSEP market teams to identify new potential sources of PPE and medicines supply; to identify and help remove barriers to export of PPE and medicines; to advise on burden-sharing or exchange programmes in their locations; to advise on potential solutions to PPE, medicines and raw materials supply over the short- and medium-term; and to support a steady rhythm of ministerial engagement. In other locations, staff were encouraged to continue to source supplies on an opportunity basis. [PRB3/061] [INQ000501827]
92. GSSEP continued in operation until 3 August 2020, when responsibility for coordinating international engagement with partners on medical supplies transferred to the FCO Covid-19 Directorate. [PRB3/063] [INQ000089462] The FCO's involvement centrally in the procurement of healthcare-related equipment and supplies decreased from around that time in line with the regularisation of UK PPE supply chains.

*Cross-HMG working at overseas posts*

93. Overseas posts were staffed with representatives from the FCO and other HMG departments, working together, usually from the same office, often using a shared IT system. HMG departments posted staff overseas with different policy objectives (reflecting the range of HMG priorities) and terms and conditions, but they worked together as 'One HMG Overseas'.
94. In February 2020, the Prime Minister initiated a deepening of ambition on alignment of HMG structures and delivery overseas. [PRB3/064] [INQ000501744] While many posts, including those in the China Network, already had governance in place to ensure a joined-up 'One HMG' approach, the FCO initiated a central policy refresh to ensure this was consistent across the overseas network. This work was put on hold during the early stages of the pandemic and later progressed in the months following the formation of the FCDO in September 2020.
95. During the main period of FCO involvement in procurement (March-August 2020), the 'One HMG' governance arrangements in place at the time stated that FCO HoMs were responsible for leading and co-ordinating HMG's activity in their respective host

countries, and ensuring a coherent cross-government approach through a single country business plan which supported the delivery of all HMG priorities in the relevant country. HoMs ensured post reporting took stock of broader issues of interest to HMG, and had ultimate responsibility for crisis management, business continuity, security, health and safety, duty of care, staff welfare and estate management. They also had ultimate authority for the conduct of all staff at the post. Lead representatives from other HMG departments were responsible for representing their own department or organisation and were accountable for its activity in the country. [PRB3/015]

[INQ000493741] In the China Network and at a number of other posts during the pandemic, HoMs oversaw crisis response teams made up of staff from a range of HMG departments. This included DIT staff who had trade and investment experience and networks which supported them in assisting with procurement activity.

*Liaison with other government departments and public bodies*

96. The FCO played a supporting role in cross-government efforts to procure Covid-19 healthcare equipment and supplies for the UK through ACT, JACT, GSSEP and through our overseas network.

97. In addition to the partnership working with DIT already described:

97.1 The FCO received and responded to instructions from No 10. For example, in mid-March, the Coronavirus Taskforce began its work on procurement in response to a No 10 request to facilitate the purchase and shipment of ventilators and identify future manufacturing capability. [PRB3/065] [INQ000501746]

97.2 The FCO worked with DHSC throughout as the lead department on the purchase of healthcare-related equipment and supplies. Where I refer to DHSC in this statement, this may at times include a wider group of actors who were supporting the DHSC procurement effort, including officials from Cabinet Office, NHS bodies or other government departments. DHSC gave final approval on decisions to purchase equipment and made payments to the suppliers. [PRB3/066]

[INQ000551638] [PRB3/057] [INQ000492403] The Inquiry has asked about the DHSC Parallel Supply Chain. This was established by DHSC to increase the supply of PPE during Covid-19. The FCO contributed through the support to PPE procurement described in this statement, particularly on sourcing PPE in China.

97.3 Cabinet Office and HM Treasury ("HMT") were represented on IMIG, Covid-S and Covid-O and received reporting from JACT and GSSEP. FCO and Cabinet



Office officials liaised in the context of their mutual support to DHSC efforts on procurement, for example, posts were directed to engage Cabinet Office regarding some of the requests in JACT/GSSEP commissions.

#### *Liaison with Devolved Administrations*

98. The Devolved Administrations ("DAs") were consulted and informed regarding relevant FCO decision-making during the pandemic. Discussions between representatives of the DAs and FCO ministers were held regularly by telephone. They included discussions about the international procurement of healthcare supplies for the DAs. **[PRB3/067] [INQ000501782] [PRB3/068] [INQ000501783]**
99. In the early stages of the pandemic, the FCO's engagement with the DAs focussed particularly upon arrangements to assist British nationals overseas. **[PRB3/069] [INQ000100859]**
100. Some assistance was also provided by the China Procurement Team in relation to the procurement of healthcare supplies. This was mainly facilitation, for instance on flight permissions, and pressing for a central point of contact for the DAs. On 16 April 2020, the DHSC Permanent Secretary wrote to the DAs informing them that overseas posts had been instructed to work on a single UK 'ask' on international procurement, which included the needs of the DAs, and identifying a DHSC point of contact on DA requirements for healthcare supplies. **[PRB3/070] [INQ000501799]**
101. Matters relating to domestic allocation and distribution of supplies were outside the FCO's/FCDO's role.

#### Procurement activity conducted by the China Network

##### *Initial procurement*

102. In January 2020, before it was clear that Covid-19 would spread from China to become a worldwide pandemic, both the FCO in London and BE Beijing went into crisis response mode and focused on obtaining information about Covid-19, evacuating British citizens from Hubei province, and ensuring that staff members employed at the UK posts in China were safe and providing information to British citizens in China through consular services. **[PRB3/071] [INQ000064687]**
103. The FCO was initially directed to focus procurement efforts on China. On 14 March 2020, No 10 contacted the FCO in London about facilitating a connection between the UK and certain Chinese manufacturers. BE Beijing was informed, on 15 March 2020,

that ventilators were needed in the UK and that China was a major producer. BE Beijing was asked to: consider how it could help facilitate discussions; hold an initial discussion with Chinese contacts about procurement; and advise on senior HMG contacts in the UK that could engage with their Chinese counterparts to help facilitate procurement requests. BE Beijing replied on the same day, asking for information about the types and numbers of ventilators sought and indicating that it was liaising with the Chinese National Health Commission. [PRB3/072] [INQ000501745] On 16 March 2020, DHSC provided a list of requirements and an indicative specification for mechanical ventilators. [PRB3/073] [INQ000528158] [PRB3/074] [INQ000528159]

104. By 19 March 2020, the FCO in London confirmed to No 10 that, subject to final DHSC approval, 2,600 ventilators had been secured, delivery of which could start from the end of March. This was facilitated by close contact with the Chinese Government and post support with logistics. Further, while the China Network had only been asked to buy ventilators, they had proactively identified other items including PPE and testing kits that could help with UK demand. In order to proceed with these options at pace, the China Network asked for clarification on requirements, approval to pursue and a point of contact in London to work with. [PRB3/075] [INQ000501747] Initially, DIT teams at BE Beijing led on identifying suppliers and sending details to DHSC for consideration. [PRB3/076] [INQ000528361]

105. As discussed further below, the China Network devoted significant effort and resources to assist DHSC's procurement of Covid-19 healthcare equipment and supplies in China, and became the major facilitator of international healthcare contracts within the FCO over the ensuing months, far exceeding corresponding activity at other posts. By 23 April 2020, the China Network had supported DHSC procurement worth £330 million, the majority of which was £280 million of PPE to meet the urgent NHS demand. The remaining £50 million included sanitiser, ventilators and pumps. [PRB3/077] [INQ000501809] [PRB3/078] [INQ000501810]

#### *Subsequent cross-government working on procurement*

106. The China Network stood up a specialised team ("**China Procurement Team**") to handle procurement as a crisis response measure. The China Network committed a significant proportion of its resource to the team and quickly developed a structure that reflected the complexity of the procurement operation. At its peak, the team consisted of over 100 people from across the China Network, including some staff who had been drawn down from China and were working from the UK, operating on a 24/7 shift

pattern. The team was overseen by HoM Dame Barbara Woodward and Deputy HoM Christina Scott and led by Deputy HMTc John Edwards (HMTc from May 2020) and Minister Counsellor Tom Duke (Deputy HMTc from May 2020) from DIT. DIT staff from the standing DIT China team in place prior to the pandemic played a leading role given their knowledge of Chinese and global supply chains, and the networks they had built up through promoting UK medical companies in China. By 27 March 2020, the China Procurement Team had around 40 members of DIT staff from the China Network working on the joint procurement effort. [PRB3/079] [INQ000501755] In line with FCO Crisis Doctrine, this team was able to draw on other available HMG staff in the China Network to support the procurement effort, as well as wider crisis work. [PRB3/016] [INQ000100879]

107. Staff in the China Procurement Team were assigned to specific products (e.g. ventilators, PPE, testing kits, pumps and other devices/consumables) and functions (including due diligence and contracts). [PRB3/080] [INQ000501891] The core task was to source healthcare equipment and supplies according to DHSC specifications and liaise with suppliers on behalf of DHSC to agree orders. [PRB3/078] [INQ000501810]
108. By way of example, an April 2020 induction pack for members of the PPE Team (within the broader China Procurement Team) contained a more detailed breakdown of roles and activities in this area. For instance, Category Team members (those dealing with different categories of PPE, such as gowns, masks or gloves) were described as responsible for requesting quotations, negotiating with suppliers based on UK requirements, and working with Contract and Due Diligence Teams to secure contract approval. Meanwhile, the Team Leader was responsible for setting and approving the overall strategy for the PPE Team, coordinating with London teams, and bringing senior staff in to troubleshoot issues where appropriate. [PRB3/081] [INQ000501797] A separate Logistics Team helped to arrange flights and manage shipping and export authorisations, including checking whether suppliers were on the Chinese Ministry of Commerce 'whitelist' of approved suppliers. [PRB3/082] [INQ000528155]
109. The China Procurement Team held daily calls with DHSC contacts to obtain product and supply requirements for orders and to share updated information via the Joint Medical Supplies Sitrep<sup>1</sup>. [PRB3/083] [INQ000501770] The Category Teams then communicated directly with Chinese suppliers. Staff in post at the time recall that,

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<sup>1</sup> The FCDO has separately disclosed Joint Medical Supplies Sitreps to the Inquiry.



while physical quality assurance checks on purchases were not always possible in light of practical considerations such as lockdowns or for purchases where stock was being produced to order, China Procurement Team staff did conduct physical stock checks where they could. On 7 April 2020, BE Beijing confirmed with DHSC that it would only pursue leads for ventilator contracts that were able to accept a physical stock check, and that video footage would not be accepted. **[PRB3/084]** **[INQ000528154]** Posts in Shanghai and Guangzhou spearheaded the work of identifying suppliers, facilitating contracts, and shipping out PPE and ventilators in the early months of the pandemic.

110. The China Procurement Team encountered a number of challenges:

110.1 Global demand for healthcare equipment and supplies exceeded supply. The urgency and scale of UK demand, and fierce competition between international buyers attempting to source their supplies in China, meant that the time available to negotiate terms and prices was limited. Prices soared and raw materials were squeezed. Under these market conditions, HMG direct involvement in supplier outreach and shipping was important in securing urgent healthcare supplies for the NHS. On PPE, the China Procurement Team's preferred sourcing strategy was to work with large, state-owned healthcare distributors where possible to reduce the risks associated with single-source procurement. On 17 April 2020, HoM Dame Barbara Woodward sent a procurement update to the FCO in London, mentioning that a strategy had been agreed for the procurement of gowns, focusing on state-owned enterprises, as these were well placed to address supply chain issues on raw materials for factories. **[PRB3/085]** **[INQ000528163]** Minister Counsellor Tom Duke sent a letter to the Cabinet Office on 23 April 2020 explaining that the primary sourcing strategy was to work with large, state-owned healthcare distributors in order to reduce risk. State-owned healthcare distributors could: source orders from multiple factories drawn from their network of manufacturers; switch to other manufacturers in the case of disruption to individual production lines; and carry out quality control. State-owned distributors were also experienced in preparing export documentation and had access to a supply of raw materials. **[PRB3/078]** **[INQ000501810]**

110.2 In the early stages, there were challenges around the lack of a joined up process in the UK health system and the time spent engaging with multiple parts of the system, including individual NHS Trusts. **[PRB3/086]**

**[INQ000528161] [PRB3/087] [ [INQ000528151] [PRB3/088] [INQ000528152]**

In his daily meeting on Coronavirus on 2 April 2020, the Foreign Secretary highlighted the importance of a single group having oversight both of domestic needs and overseas procurement opportunities, “given the plethora of groups operating in this space”. As a result, the International Strategy and Engagement team within the Coronavirus Taskforce was tasked with establishing end to end clarity on UK requirements in healthcare equipment as part of an enhanced JACT. **[PRB3/089] [INQ000528153]**

- 110.3 There were initially also challenges because the China Procurement Team received a large number of offers of assistance from suppliers and third parties. The team recognised that the majority of these leads were unproductive, but that they needed to be investigated in order to provide assurance that all possible routes to procure key healthcare equipment were being pursued. They established a separate ‘lead investigation’ team in order to ensure that the work of exploring these leads did not distract from more productive approaches to securing supplies. **[PRB3/090] [INQ000528168] [PRB3/091] [INQ000528169]** The China Procurement Team recognised the need for probity when considering offers of equipment, and sought to apply the same level of investigation and initial due diligence to all leads, when reaching a judgement as to their validity.
- 110.4 Staffing levels were tight despite membership of the crisis medical supplies teams exceeding 100 people at the peak of the China Procurement Team’s activities. The workload and its intensity were high, aggravated by China’s Covid controls limiting access to offices and official IT, and the fact that only Shanghai airport was operating at the time. Leadership efforts focused throughout on supporting staff and ensuring that staffing of the teams was agile and responsive to events. They also requested the appointment of one London point of contact for each supply category to streamline the process.
- 110.5 China shut down civilian and cargo flight operations in the early days of the pandemic. The China Network worked with airlines to repurpose unused passenger aeroplanes for healthcare equipment and supplies, and liaised with the Chinese authorities, local and national, for the various authorisations needed. **[PRB3/092] [INQ000501778]**

- 110.6 The China Network's engagement with the Chinese administration took place at multiple levels. At central level, in Beijing the main ministries involved were the Ministry of Foreign Affairs and the Ministry of Commerce. These were used for political calls between the UK and Chinese governments to set out UK needs and express appreciation for cooperation, and also for business delivery, to lobby on customs regulations and follow up on UK requirements, as the Chinese government was coordinating overseas requests centrally at some points. BE Beijing supplemented these political calls with engagement with provincial government and party authorities, especially where relevant to procurement or transport logistics or where theoretically, or in practice, authority was delegated from the centre to provinces. This was especially important in Shanghai in order to manage export logistics from the airport.
111. From the end of April, the China Network engaged with other departments on developing a medium- to long-term strategy for HMG procurement of healthcare equipment and supplies in China, which would transfer greater responsibility to UK teams. **[PRB3/078] [INQ000501810]** Over the following months, the degree of support needed from the China Network reduced considerably and the size of the China Procurement Team was reduced accordingly. The team closed at the end of November 2020. **[PRB3/093] [INQ000528157] [PRB3/094] [INQ000528156]**

*FCO involvement in awarding and/or signing of contracts*

112. China Network staff signed contracts to support DHSC requirements in the early stages of the procurement operation but did not make award decisions. Staff at post signed contracts under direction of their DHSC colleagues. **[PRB3/078] [INQ000501810]** This was done to secure supplies of key healthcare equipment in a fast-moving, highly competitive market, at a time of national emergency.
113. Authorisation for purchases was provided by DHSC on a case-by-case basis. China Network staff identified available supplies in line with DHSC requirements and provided DHSC with information including the name of the supplier and the specification of the equipment, the number of items available, the cost per item, the delivery schedule, and additional comments such as price changes compared to previous orders. **[PRB3/076] [FCDO-01460238]** Where available the China Procurement Team also provided details of suppliers' import and export licences, CE certification, product datasheets and test reports or quality certificates. **[PRB3/095] [INQ000501797]** DHSC then decided whether to give approval to purchase and, if

approved, contracts were signed and DHSC subsequently paid the suppliers directly.  
[PRB3/078] [INQ000501810]

114. This was an unusual arrangement in government, reflecting the extreme urgency of the situation. Because the contracts were to support DHSC, and associated payments were made by DHSC, the China Network worked with DHSC commercial and finance teams to establish contracting requirements and support due diligence. The contracts were not subject to the FCO's commercial governance assurance processes.

[PRB3/078] [INQ000501810] As a result, the FCDO does not hold the complete audit trail of all activities conducted in relation to these contracts. The limited role of the FCO commercial function is described in more detail in Section 8.

115. On 1 May 2020, the FCO Chief Commercial Officer clarified the position on signing contracts (having consulted with DIT and DHSC), confirming that as DHSC held Accounting Officer responsibility, all contracts should now be signed by DHSC staff.

[PRB3/096] [INQ000501824] This was swiftly communicated to the China Network and the FCO's Regional Finance and Procurement Hubs. [PRB3/097]

[INQ000501828] Following these instructions, the China Procurement Team sent contracts to DHSC for signing. [PRB3/098] [INQ000501833] On 19 June, DHSC's Commercial Director confirmed in writing that the FCO had entered into contracts "*with the intention of assisting the Department for Health and Social Care [...] at this time of national emergency*", that all payments had been made by DHSC, and that DHSC would "*meet all and any liabilities arising out of those contracts*". [PRB3/099]

[INQ000501869]

116. Overall, the China Procurement Team's data shows they were involved in 151 contracts for healthcare equipment and supplies under the system described above, although some were subsequently cancelled to avoid oversupply. Of these contracts, staff in the China Network signed 64. [PRB3/013] [INQ000501875]

117. Further detail on procurement processes is set out in Section 8.

### Results

118. The FCO was supporting DHSC procurement and therefore does not have comprehensive records of the contracts entered into for the import of healthcare equipment and supplies to the UK, or of any issues that arose in relation to products received, or any action taken against the supplier as a result. I am aware that not all of the PPE procured was ultimately used in delivery of frontline services. To the best of

my knowledge, the FCDO was not part of discussions, either in the relevant period or subsequently, about the challenges faced in this regard.

119. The China Network kept their own internal records of the results they supported directly. A summary of these results is set out below, covering all activity in 2020. These results overlap with those recorded by JACT/GSSEP, summarised in paragraph 133. [PRB3/013] [INQ000501875]

Equipment	Ordered	Price
Face Protection	I&S	£25,143,540.00
Gloves	I&S	£325,088,000.00
Gowns	I&S	£330,104,164.00
Aprons	I&S	£100,853,900.00
Masks	I&S	£136,015,270.00
FFP3	I&S	£47,680,000.00
FFP2	I&S	£8,055,230.00
Type IIR	I&S	£77,574,040.00
Type II	I&S	£2,706,000.00
Sanitiser	I&S	£19,565,310.00
Ventilators	I&S	£33,826,570.00
Ventilator Sub-components	I&S	£432,000.50
Pumps	I&S	£17,406,290.00
Consumables	I&S	£6,966,527.58
Testing Kit <sup>2</sup>	I&S	£8,856,132.00
Other	I&S	£97,600.00
Total	I&S	£1,004,355,304.08

#### Procurement activity at other overseas posts

120. In December 2019, there were 280 posts in 178 countries in the HMG overseas network. [PRB3/100] [INQ000100880] Of these, I and those assisting me in preparing this statement ("we") have identified 15 countries where posts played an active role in the procurement of healthcare-related equipment and supplies. While our approach has been robust, it remains possible that we have not fully captured all countries or posts where relevant activity took place given the size of the overseas network and the time that has passed.

<sup>2</sup> The testing kits listed in this table relate to contracts signed by BE Beijing for dry swabs (a component of testing kits), not full test kits.

*Initial procurement*

121. On 16 March 2020, No 10 communicated DHSC's requirements on ventilators and a list of potential manufacturers to the Coronavirus Taskforce, along with a request for posts to identify suppliers of ventilators. **[PRB3/065] [INQ000501746]**
122. The same day, the DG for the Coronavirus Taskforce emailed HoMs at BE Berlin, BHC Singapore, BE Stockholm, BE Berne, and BE Washington, stating that the Prime Minister had asked for the FCO network's help in sourcing ventilators and that DHSC had identified relevant manufacturers in their respective host countries. The email highlighted that DHSC was requesting help from overseas posts in speaking to host governments to support DHSC engagement with these manufacturers (to encourage them to meet the UK's rapid request) or to identify alternative manufacturers that might be feasible options. The email requested that replies be copied to the relevant DHSC officials. **[PRB3/065] [INQ000501746]**
123. On 20 March 2020, this request was expanded to the whole of the FCO's overseas network. The Taskforce emailed the network, specifying the key pieces of healthcare equipment that posts were being asked to help secure, along with technical specifications. The Taskforce asked for initial returns and enquiries to be sent to a dedicated Cabinet Office email address by 24 March 2020. The specified categories of equipment required were: respirator masks; fluid repellent masks; gowns; alcohol hand rub and other hand sanitation; and eye protection. **[PRB3/043] [INQ000501749]** Some indicated that their hosts were also experiencing shortages and importing material, such as BE Vienna. **[PRB3/101] [INQ000501757]**
124. On 27 March 2020, further correspondence was issued which sought urgent assistance to help meet the Prime Minister's target of 8,000 ventilators by 13 April 2020. Posts were asked to report on what host governments were doing in terms of securing supplies; what suppliers were out there; any potential leads or sources; and any supply chain or market access issues that the UK could assist with. **[PRB3/047] [INQ000493794]** In response, BE Stockholm engaged with two Swedish companies that the NHS had pre-existing contractual relationships with. One of these companies signed a contract with the NHS for an order of 2,000 ventilators to be supplied to the UK. **[PRB3/102] [INQ000501773]** As the FCO was not the contract owner, the FCDO does not have a record confirming whether this was fulfilled.

*Subsequent cross-government working on procurement*

125. Other overseas posts were less deeply involved in supporting procurement activity than those in the China Network. They assisted DHSC with identifying suppliers of PPE, ventilators, and testing kits; expediting the import of supplies to the UK; and supporting export logistics. They also provided reporting, including information on how host governments were managing their own supply chains. DIT staff at post generally led on identifying and engaging suppliers, while FCO staff at post generally led on reporting on host governments and conducting diplomatic engagement.
126. A selection of posts with comparable Covid-19 policies to the UK were commissioned on 21 April 2020 by the Coronavirus Taskforce on behalf of No 10 to advise on how their host governments were modelling supply and demand of medical products, including PPE. **[PRB3/103] [INQ000501803]** A number of posts responded to the commission, such as BHC Ottawa. Reporting from posts was based on their local knowledge and open source information such as host government announcements and media reports. **[PRB3/104] [INQ000501805]**
127. Selected posts were also commissioned on 28 April 2020 by the Coronavirus Taskforce on behalf of No 10 to advise on: how PPE demand was being managed operationally; how PPE supply was being managed through domestic and international procurement; and what guidance existed on PPE use in healthcare settings. **[PRB3/105] [INQ000501817]** Several posts responded to the commission, such as BHC Wellington. **[PRB3/106] [INQ000501820] [PRB3/107] [INQ000501821]** The data received was also used for reporting to the Joint Intelligence Organisation. **[PRB3/108] [INQ000501838]**
128. In addition to providing information and reporting as described above, FCO staff at post engaged with contacts in host countries to help secure exports and to overcome logistical issues. Examples of some of the main logistical challenges faced by staff assisting with the buying and shipping of key healthcare equipment and supplies included delays in deliveries, increased export regulations and production disruption as a result of supply chain issues.
129. Following on from this, I have provided below some non-exhaustive examples of action taken in locations other than China (which is covered in the previous section) to help overcome these challenges:

129.1 In April 2020, BE Berlin and BE The Hague engaged with the CEO of a ventilator manufacturer on apparent delays to the company's delivery schedule of existing NHS orders. [PRB3/109] [INQ000089345] DHSC thereafter liaised directly with two companies to agree a future schedule for delivery of delayed ventilators. [PRB3/110] [INQ000501818]

129.2 In April 2020, British High Commission ("BHC") Ottawa engaged in successful lobbying at ministerial and senior official levels to secure the export of ventilators to Guy's and St Thomas' NHS Foundation Trust. BHC led close engagement with both the Canadian manufacturer and UK supplier. A total order of 1,150 ventilators was placed. [PRB3/111] [INQ000501794] Between mid-March and mid-June, 485 ventilators were successfully imported into the UK. As the FCO was not responsible for tracking the arrival of equipment into the UK, the FCDO does not have a record confirming the rest of the order was fulfilled. In April, BHC Ottawa shared information with JACT regarding a Canadian PPE manufacturer who expressed an interest in setting up a manufacturing facility in the UK. [PRB3/112] [INQ000501814] This led to a contract signed with DHSC to provide hundreds of millions of respiratory and medical masks to the UK every year once the facility opened in September 2020. [PRB3/113] [INQ000501901]

129.3 In April 2020, BE Paris lobbied the French government to secure the lifting of export restrictions on an NHS order of masks from a French manufacturer. [PRB3/114] [INQ000501815]

129.4 In April 2020, BE Ankara and the Consulate General in Istanbul supported DHSC in its negotiations with manufacturers for the supply of PPE. They facilitated conversations between the NHS and USHAS (the Turkish body responsible for managing PPE supplies and exports during the Covid-19 pandemic). By 2 May 2020, the Turkish Ministry of Health had published a communique lifting the pre-authorisation requirement for exporting ventilators. On 27 May, USHAS, who owned the rights to a Turkish ventilator consortium which had successfully started production, offered to ship a sample ventilator to the UK. [PRB3/115] [INQ000501847] By that time however, the UK domestic ventilator requirement had stabilised.

129.5 By May 2020, BHC Kuala Lumpur and JACT together assisted a logistics fulfilment company with visas and administration to facilitate the successful



importation of 53 million gloves to the UK. The final consignment arrived on 6 May 2020. **[PRB3/116] [INQ000501832]**

*FCO involvement in awarding and/or signing of supply contracts*

130. FCO staff did not make award decisions and, aside from staff in the China Network, they did not generally sign healthcare related supply contracts. We have identified two exceptions, both prior to the FCO Chief Commercial Officer's instruction to FCO staff not to sign contracts on behalf of DHSC. In both cases, FCO staff were asked to sign contracts in order to secure supplies of equipment that might otherwise be lost in fast-moving, competitive markets:

130.1 In April 2020, a contract for the supply of 30 ventilators facilitated by FCO staff at BHC Nicosia was signed by the FCO's Commercial Deputy Director at DHSC's request. DHSC had already provided a recommended form of contract and a letter of intent to the supplier and the FCO had assisted in conducting due diligence under instruction from DHSC. **[PRB3/117] [INQ000501780] [PRB3/118] [INQ000501781] [PRB3/119] [INQ000501785] [PRB3/120] [INQ000501786]**

130.2 In March 2020, a contract for the supply of 35 ventilators from Taiwan was signed between the supplier and British Office Taipei in urgency, to avoid delay and risk losing the order. **[PRB3/121] [INQ000501767]**

131. Further detail on procurement processes is set out in Section 8.

*Results*

132. The FCO was supporting DHSC procurement and therefore does not have comprehensive records of the contracts entered into for import of healthcare equipment and supplies to the UK, or of any issues that arose in relation to products received, or any action taken against the supplier as a result. As noted above, I am aware that not all of the PPE procured was ultimately used in delivery of frontline services. To the best of my knowledge, the FCDO was not part of discussions, either in the relevant period or subsequently, about the challenges faced in this regard.

133. On 31 July 2020, the final GSSEP report on Covid-19 medical supplies **[PRB3/014] [INQ000501867]** indicated the following results of overseas procurement, representing the totality of the cross-government effort to which DIT and the FCO had contributed:

133.1 Purchase orders were raised for over 30.9 billion items globally, of which over 20.7 billion were from new suppliers (as of 24 July 2020) and over 10.2 billion from existing NHS suppliers (as of 28 July 2020). This included:

- 133.1.1 538 million gowns;
- 133.1.2 8.4 billion masks;
- 133.1.3 1.4 billion units of face protection;
- 133.1.4 13.7 billion gloves; and
- 133.1.5 6.8 billion aprons.

133.2 2,601.4 million items were delivered to the NHS front line between 25 February 2020 and 26 July 2020.

133.3 Of a total 6,724 ventilators procured globally, 4,639 had arrived by 28 July 2020. Another 1,954 were forecast to arrive in August. China and Canada were the largest suppliers of ventilators to the UK in this period.

#### Work contracted to consultancy services

134. Ernst and Young were contracted by DIT and led work to scrutinise PPE markets outside China. DBT will therefore be best placed to provide evidence on their role.
135. In terms of FCO engagement with this work, the Foreign Secretary received an interim assessment produced by DIT with Ernst and Young, on PPE markets outside of China. **[PRB3/122] [INQ000501836] [PRB3/123] [INQ000501837]** In connection with this work, on 20 May 2020, the PPE team in BE Ankara were corresponding with Ernst and Young about a list of companies in Turkey and the potential for these to be long-term strategic suppliers of PPE. **[PRB3/124] [INQ000501845]** BE Ankara also responded to a request from DIT to HMTCS to provide thoughts on the Ernst and Young study and further information on prospective supplier companies. **[PRB3/125] [INQ000501846]**

#### Covid-19 monitoring and reporting

136. The Inquiry has asked about the role of the FCO and DFID in monitoring the development of the Covid-19 pandemic abroad. The FCDO's (and its predecessors') role in providing advice to No 10, the Cabinet Office and other HMG departments on the emergence of new Covid-19 variants, data modelling and information about the

use of non-pharmaceutical interventions ("NPIs") by other countries falls into three main categories.

137. First, DipTel reporting. The FCDO and its overseas network sent a significant number of DipTels concerning Covid-19 during the period relevant to Module 5. These included reports of meetings and discussions with international organisations, such as the WHO in Geneva. All HMG departments received the twice-daily FCDO DipTel summary, an email containing all DipTels issued by the FCDO in the UK and its posts. Many of these DipTels were also addressed to No 10, the Cabinet Office, DfT, DHSC and other HMG departments as action addressees.
138. For example, on 21 December 2020 UKMis Geneva issued a DipTel reporting the WHO's reactions to the detection of a new variant of Covid-19 in the UK **[PRB3/126] [INQ000089484]** and on 22 December 2020 BHC Pretoria sent a DipTel reporting the emergence and spread of a new Covid-19 variant in South Africa similar to that circulating in the UK. **[PRB3/127] [INQ000089485]** On 20 January 2022, BE Berlin reported on the impact the Omicron variant was having at that time in Germany. **[PRB3/128] [INQ000100825]**
139. Second, specific advice and analysis from posts to contribute to JBC and PHE risk assessments and to provide international comparisons. Those, in turn, informed decisions on, among other things, International Travel Corridors and the red, amber and green ratings of countries under the 'traffic light' system. **[PRB3/129] [INQ000501862] [PRB3/130] [INQ000501863]**
140. Until September 2020, the FCO's overseas posts regularly provided this information to the Covid-19 Taskforce through completion of a sitrep and questionnaire. **[PRB3/131] [INQ000100822]** In the period 2 September 2020 to 24 February 2022, the International Comparators Joint Unit ("ICJU"), a joint unit of the FCO and Cabinet Office which brought together analytical staff within HMG, provided weekly Covid-19 international comparator dashboards to other parts of HMG, including No 10, the Cabinet Office and the Department of Transport ("DfT"). **[PRB3/132] [INQ000100874]** Those dashboards provided comparative data from other countries. The FCDO's posts assisted ICJU in obtaining and contextualising the data.
141. From 28 September 2020, the FCDO – in consultation with JBC and PHE – streamlined its internal reporting process, with the network being required to submit a weekly report rather than a sitrep and questionnaire.

142. Third, facilitation of expert dialogues between HMG and international partners. For example on 7 and 10 November 2020, following an outbreak of SARS-Cov-2 in mink farms in Denmark, the FCDO facilitated high level calls between UK and Danish science and health experts to inform JBC's and PHE's understanding of how Denmark was responding to the outbreak and the effectiveness of Danish measures.

## **Section 8: Procurement processes, due diligence and conflicts of interest**

143. I have described in section 7 how FCO staff supported DIT to assist DHSC in the fulfilment of their requirements, pursuant to DHSC and CO direction and guidance. In this section, I expand upon the procurement processes and buying instructions and guidance that staff followed; the experience and skills required in order to carry out the work and any training or resources provided; the process followed in relation to support to due diligence on overseas suppliers; and the approach taken to address conflicts of interest. These matters should be seen in their proper context: FCO staff were supporting the procurement of healthcare equipment for the first time, working under crisis conditions at a time of global health emergency. Procurement processes based on cross-departmental working were established at pace in response to the evolving need for healthcare equipment in the UK.

### Procurement processes

144. By 30 March, the FCO, DIT and DHSC had agreed a process map confirming that overseas posts would source ventilators according to DHSC specifications and communicate with suppliers, while DHSC would take purchasing decisions and authorise payments. [PRB3/133] [INQ000501764] As part of this process, DHSC had three main interactions with FCO and DIT colleagues [PRB3/134] [INQ000501766]:

144.1 reviewing and confirming specifications as appropriate;

144.2 providing authorisation to proceed and issuing a Letter of Intent; and

144.3 providing approval for the contract and payment with DHSC. This included *"clear confirmation that each of the parties in the contractual chain have been appropriately identified...for stock items a confirmation that the devices actually exist - preferably with a timestamped photo and for manufactured items a confirmation that the factory has actually allocated production capacity, an invoice, a copy of the proposed contract and terms"*. Upon receipt of that

information from FCO/DIT colleagues, DHSC would approve the relevant contract and make payment.

145. JACT issued the same instructions on procurement processes to key overseas posts. [PRB3/135] [INQ000501760] [PRB3/136] [INQ000501761] [PRB3/137] [INQ000501884] [PRB3/138] [INQ000501885]
146. In China, as efforts to source equipment became more focused on PPE, processes evolved in tandem through direct discussions between the China Procurement Team and DHSC. On 17 April, DHSC shared a set of process maps with HoM Beijing, which were regularly updated. [PRB3/139] [INQ000501800] [PRB3/140] [INQ000551580] [PRB3/066] [INQ000551638] The China Procurement Team also developed and kept up to date detailed guidance for staff to implement those processes when engaging suppliers. [PRB3/141] [INQ000501856]
147. On 18 April 2020, the First Secretary of State and the Secretary of State for Health agreed to draw up a proposal to allow key overseas posts to directly authorise purchases of PPE stocks. DHSC set out a proposed approach for discussion with the FCO, HMT and the Cabinet Office. [PRB3/142] [INQ000528164] Following discussions with commercial representatives from the relevant departments, it was ultimately agreed that authority to purchase equipment would not be devolved to overseas posts, and DHSC would remain the purchasing authority [PRB3/143] [INQ000528166] [PRB3/144] [INQ000528167] [PRB3/145] [INQ000528170]
148. By May 2020, GSSEP had taken on the responsibility of coordinating procurement processes across FCO, DIT and DHSC [PRB3/146] [INQ000501843]. In all cases, procurement processes aimed to illustrate the different departmental decision-making roles on procurement and give FCO staff guidance on the level of assurance required.
149. The FCO had its own Commercial Assurance and Governance ("CAG") policy framework in place, which placed commercial controls on FCO expenditure over £100k. Under the CAG framework, there were three levels of boards responsible for taking decisions at different assurance levels: the Investment, Infrastructure and Operations Committee (IIOC), the Commercial Assurance Board (CAB) and the Category Boards. The responsibility for Commercial Assurance and Governance of contracts below £5 million was delegated to the CAB by the IIOC, which signed off spend over £5 million. The CAG framework was amended in April 2020 because of the

need to establish arrangements for resilience should board members be unavailable and decisions needed to be taken quickly and also to reflect a Cabinet Office Covid Policy Procurement note (PPN01) confirming that processes for carrying out procurements with extreme urgency could be used. [PRB3/147] [INQ000501889] FCO staff had access to information about the CAG framework and internal commercial expertise. As DHSC retained authority for healthcare equipment contracts and was responsible for making the associated payments, FCO staff followed procurement processes agreed with DHSC, including those shared by JACT and GSSEP. The FCO's CAB discussed the FCO's role in procurement of healthcare equipment and supplies on 16 April, ultimately leading to the clarification on contract signing described in Section 7.

#### Buying instructions and guidance

150. Alongside communications through JACT as set out in section 7, requirements were initially communicated to overseas posts via email from the Coronavirus Taskforce, on instruction from DHSC. Procurement commissions or instructions also came directly from PM morning meetings. [PRB3/148] [INQ000088315] From the end of March 2020, JACT and subsequently GSSEP coordinated buying instructions. The China Network also communicated directly with DHSC regarding procurement requests, without any central FCO coordination.
151. On 10 April 2020, JACT wrote to HoMs and HMTs setting out the requirements for overseas procurement of healthcare supplies. [PRB3/057] [INQ000492403] This was a follow up to the 27 March 2020 correspondence (discussed in section 7) that sought urgent assistance with rapid procurement. The 10 April 2020 email from JACT requested further ventilators, PPE, testing kits and medicines and set out the requirements for these in annexes which had been signed off by DHSC Ministers. [PRB3/058] [INQ000489592] [PRB3/059] [INQ000501790] [PRB3/060] [INQ000489590]
152. GSSEP subsequently prepared and issued a range of documentation and guidance to assist with overseas procurement, including:
  - 152.1 an "Opportunity to Order" overview of the procurement process [PRB3/149] [INQ000494002];
  - 152.2 an Opportunity Risk Assessment tool; [PRB3/150] [INQ000501849]

152.3 a PPE Buying Guide; **[PRB3/151]** **[INQ000492473]**

152.4 Testing Kits and Consumables Buying Specification Guidance; **[PRB3/152]**  
**[INQ000494001]**

152.5 a proforma Statement of Good Standing for suppliers; **[PRB3/153]**  
**[INQ000501853]** and

152.6 PPE Supplier Triage Guidance. **[PRB3/154]** **[INQ000493998]**

153. From 19 May, GSSEP also began to provide updates on demand through a weekly demand dashboard. **[PRB3/155]** **[INQ000501841]** This brought together the UK's demand requirements for all Covid-19 medical product types.

#### Procurement experience and training

154. The Inquiry has asked detailed questions about the experience and qualifications of staff involved in procurement activity. Supporting the procurement of healthcare equipment for use in the UK was a new exercise for the FCO and therefore staff were brought into this work from other functions. Their contribution to the HMG effort was based on their familiarity with, and experience operating within, the countries where materials were sourced from, and not based on their experience of procuring healthcare supplies. As a result, we have not been able to gather detailed information on individual role-holders in line with the Inquiry's questions. In this section, I set out the broad skills and experience held within the China Procurement Team, how they were utilised in the context of the effort to secure healthcare equipment and supplies, and how the FCO sought to address any gaps.

155. A snapshot of the China Procurement Team in early May 2020 shows how it was structured and how it fit into the broader China Network effort. It sets out key roles across the operation and HoM Beijing's position as Senior Responsible Owner. **[PRB3/080]** **[INQ000501891]** As this operation was established as a crisis measure, the FCO did not produce formal job descriptions for every position in the team. Nevertheless, this document gives an example of the roles within the PPE Team that illustrates the type of work being carried out: **[PRB3/095]** **[INQ000501797]**. The Inquiry has asked about the expertise available in DFID. Although DFID staff had previous experience of procuring healthcare equipment and supplies for use and distribution

abroad, they generally did so by working with multilateral organisations or by contracting out to companies such as Palladium or Crown Agents. DFID staff would not generally have had experience of liaising directly with manufacturers or distributors of healthcare equipment and supplies, or experience of management of global healthcare supply chains.

*Procurement, commercial and negotiation experience*

156. The China Procurement Team drew extensively on DIT staff, who were specialists in trade and investment. By mid-April 2020, the China Procurement Team had developed a short training programme which was mandatory for new starters covering topics such as “*essentials in contract negotiation*” and “*how due diligence can support you*”, along with supporting materials. [PRB3/156] [INQ000501798] More broadly, the FCO invested in building the commercial skills of staff at post on a regular basis. For example, Commercial Directorate had provided introductory procurement training in Beijing on 21 November 2019, and more detailed training on contract management from 23 to 31 August 2019 to corporate service managers (“CSMs”) responsible for managing the budget and estate and other relevant staff. Finance Directorate also provided training in budgets and cash management to CSMs, budget holders and project managers.
157. Staff in the China Network could access specialist support from the Regional Finance and Procurement Hub based in Manila. They could also engage the central Commercial Directorate for advice, which led on the policy framework, commercial analysis, oversight of regional procurement expenditure and management of the supplier base. As DHSC was the authorising department, and procurement of healthcare equipment and supplies for the UK market was outside the FCO’s usual procurement expertise, the China Procurement Team worked with DHSC and DIT (with support from JACT and GSSEP) to establish procurement processes and guidance. The FCO commercial function was not well placed to provide category specific advice on procuring key healthcare equipment, but gave advice on processes at key moments which are described in this statement, including:

157.1 reviewing processes for supporting due diligence (see paragraph 166);

157.2 reviewing procurement at the FCO’s Commercial Assurance Board (paragraph 149) and providing subsequent advice on signing contracts (paragraph 115);  
and



157.3feeding into cross-HMG discussions and liaising across government to agree procurement processes. **[PRB3/157] [ INQ000528165]**

*Technical and market knowledge around PPE or medical equipment*

158. The pre-existing DIT China Team, who were at the centre of the China Procurement Team, had relevant market knowledge and networks that supported efforts to identify suppliers. **[PRB3/079] [INQ000501755]** This was supplemented by information and support from DHSC regarding the technical specifications for products.

*Local knowledge, diplomatic skills and agility*

159. Staff in the China Procurement Team had language skills, diplomatic skills, experience of operating in China, and local networks. Most members of the team were also physically present in China at a time of strict travel and quarantine policies and when the FCO was advising against all but essential international travel. **[PRB3/158] [INQ000501900]** These skills positioned them well to gather supplier and product information for DHSC, implement DHSC commercial decisions by engaging directly with suppliers and unblock issues when needed.

160. Staff in the China Network were also experienced in working in an agile way during crises, outside of their normal roles. The FCO offered crisis training across its global network, conducted crisis exercises, and responded to real crises regularly. Staff drawn into the China Procurement Team were therefore able to adapt quickly to working in crisis response structures on a novel area. The operation was agile and the team acquired skills and knowledge over time.

161. IMIG issued an action on 30 March 2020 for FCO to consider whether the China Network needed further reinforcement of commercial skills and staffing. **[PRB3/159] [INQ000083716]** FCDO directors updated the same day that it was not physically possible to reinforce the China Network team given quarantine requirements, but that the Embassy would receive support from the JACT, China Network staff who had been evacuated and were working remotely to the DIT Director, Healthcare and Life Sciences, and the FCO global procurement hub in Manila. **[PRB3/160] [ INQ000528160]**

Due diligence

162. At the outset of the pandemic, decisions about purchasing ventilators in China were being taken at a rapid pace. DHSC nevertheless took into account the need for due

diligence and in March 2020 decided to reject at least one offer to purchase ventilators at short notice because there was insufficient time for adequate due diligence.

**[PRB3/161] [INQ000501748]**

163. Due diligence for PPE remained challenging given high levels of competition and fast paced decision-making. By 5 April 2020, the China Procurement Team had set up a dedicated team to support due diligence and established a contract with a private provider of due diligence reports to inform DHSC purchasing decisions. The due diligence team could undertake a range of different checks. Basic assessments could be conducted internally for rapid, light-touch checks on promising leads. This included a search of the company (and individual, if provided) on Chinese and Western internet, with the output being a basic English language summary of key information and an approximate risk rating. A full check conducted by the private provider was strongly recommended prior to signing contracts. **[PRB3/162] [INQ000501774] [PRB3/163] [INQ000501806] [PRB3/164] [INQ000501807]**
164. Procurement specialists from the FCO Regional Finance and Procurement Hub reviewed BE Beijing's procedures for supporting due diligence in April 2020, providing positive feedback. **[PRB3/163] [INQ000501806]** The China Network proposed in their advice on the medium- to long-term strategy of the China procurement operation that budgetary responsibility for the due diligence contract they were using be transferred to DHSC, or responsibility for checks be transferred to London. **[PRB3/077] [INQ000501809] [PRB3/078] [INQ000501810]**
165. Other overseas posts conducted various forms of supplier checks and contributed to due diligence on the basis of commissions from DHSC, JACT and GSSEP. For example:
- 165.1 At BE Kuala Lumpur, DIT staff conducted basic supplier checks on Malaysian manufacturers for protective eyewear. **[PRB3/165] [INQ000501881]**
- 165.2 BE Bangkok worked with a company to complete a statement of good standing, as requested by JACT. **[PRB3/166] [INQ000501834] [PRB3/167] [INQ000501835]**
- 165.3 BE Paris carried out some supplier checks by conducting searches and considering searches run pro bono by business contacts. **[PRB3/168] [INQ000501759]**

165.4BHC Ottawa made a contribution to due diligence on suppliers using the HMG 'Global Partner Screen' form. [PRB3/169] [INQ000501880] [PRB3/165] [INQ000501881]

166. Support with supplier checks or other contributions to due diligence from DIT and FCO overseas staff was conducted on an advisory basis, and it was for DHSC to make the ultimate decision as the department responsible for procuring the equipment. DHSC is therefore best placed to comment on the overall effectiveness of the approach.
167. The FCDO follows Cabinet Office guidance on due diligence, including Public Policy Notices and the Sourcing Playbook. Current FCDO due diligence processes are category specific given the unusually broad range of goods and services the FCDO procures, and their geographical spread. The FCDO is developing more uniform due diligence processes as part of a rolling initiative of continuous improvements to refine existing commercial processes, drawing on a wide variety of inputs, such as the new Government Procurement Regulations, the FCDO Management Assurance Process ("MAP") process, the Cabinet Office Commercial Capability Improvement Assessment Framework ("CCIAF"), FCDO audits and the Civil Service People Survey. A Commercial Improvement Working Group discusses due diligence among other issues, and reports to the Commercial Board which reviews progress.
168. Since the pandemic, the FCDO digital procurement platform, which is available globally, has evolved to provide greater capability for standardising procurement processes, including due diligence. Key procurement processes are mandated, and contracts and supporting evidence are stored in the system, providing a comprehensive audit trail. The system is used by multiple government departments, aiding joint working by teams.

#### Conflicts of interest

169. At the time of the pandemic, the Diplomatic and Home Service Regulations, which form part of the terms of employment for FCO staff, set out the ethical standards required in relation to conflicts of interest. [PRB3/170] [INQ000501905] These principles state that staff must not misuse their official position, for example, by using information acquired in the course of their official duties to further private interests or those of others; or by accepting gifts or hospitality or receiving other benefits from anyone which might reasonably be seen to compromise their personal judgment or

integrity. The regulations also state that staff are expected to declare potential conflicts of interest. Furthermore, civil servants are subject to UK legislation wherever they may be located globally. Relevant legal instruments include the Public Contracts Regulations 2015, Fraud Act 2006 and the Bribery Act 2010. Country based staff ("CBS") recruited overseas have terms and conditions in line with local law, but there is a central template for CBS handbooks which includes guidance on precluding private business interests that could benefit from and/or that could conflict with their employment with the FCDO, and a requirement to declare potential conflicts of interest.

170. Regulations 18 and 24 of the Public Contracts Regulations 2015 apply to all procurement made in the name of the Secretary of State. These required the FCO to take appropriate measures to effectively prevent, identify and remedy conflicts of interest.
171. FCO procurement guidance also contained relevant information on Conflicts of Interest. **[PRB3/171] [INQ000501890]** When procuring at overseas posts, staff were expected to complete a Conflict of Interest ("CoI") declaration **[PRB3/172] [INQ000501888]** which instructed that returns identifying CoIs be raised with the DHM. Where a potential COI was notified, this would have been reviewed by a senior manager. If a potential COI was confirmed then mitigations would have been put in place so that the individual would not be a decision maker or have influence over a decision, which could include being removed from the work entirely. For procurement over £25,000 the Regional Finance and Procurement Hubs ensured that all those involved in the tender and evaluation process completed a CoI declaration. Overseas posts were expected to record these using a Register of Conflicts of Interest held at the overseas post. Regional Finance and Procurement Hubs did not play this role for procurement of healthcare equipment and supplies, as procurement decisions were taken by DHSC. As far as possible given the rapidly evolving demands and procurement processes, the China Procurement Team sought to ensure that offers of supplies that were passed to DHSC were treated consistently, for example, by seeking to apply the same standards of investigation and initial due diligence to all leads or suppliers when taking decisions on whether to pursue an opportunity. Through liaison with relevant overseas posts, we have not identified any CoIs declared in relation to procurement of healthcare equipment and supplies in the relevant period.
172. HMG suppliers were also expected to comply with the Government Commercial Function Supplier Code of Conduct, which is disseminated to suppliers. **[PRB3/173]**

**[INQ000501903]** This sets out the expectations on supplier behaviour but is not intended to be legally enforceable.

## **Section 9: Project Defend**

173. In this section, I provide information in relation to the involvement of the FCDO (and its legacy departments) in Project Defend, where relevant to Module 5. As agreed in correspondence with the Inquiry, this is focused on the period until May 2021, when oversight of Project Defend passed to the Cabinet Office.
174. The pandemic exposed concerns that the UK had insufficient supply chain resilience in the context of medical and other critical supplies. The purpose of Project Defend was therefore to identify vulnerabilities in UK global supply chains and to develop strategies to strengthen supply chain resilience in the event of shortages or disruption.
175. Project Defend was coordinated by DIT until May 2021, reporting to the First Secretary of State the Rt Hon Dominic Raab MP, who was also serving as the Foreign Secretary. Given its cross-cutting nature it required close collaboration with other government departments. The following departments were also involved in Project Defend: DHSC; the Home Office; the Department for Environment, Food and Rural Affairs; the Department for Digital, Culture, Media and Sport; DfT; DFID; the Ministry of Housing, Communities and Local Government; the Council for Science and Technology; the Department for Business, Energy and Industrial Strategy; MOD; and Cabinet Office/No 10. **[PRB3/174] [INQ000501860] [PRB3/175] [INQ000494138]**
176. In late May 2021, the First Secretary of State proposed that oversight of Project Defend should sit at the centre of government, in Cabinet Office, and that the National Security Adviser should take over his role as chairman. **[PRB3/176] [INQ000501871]**
177. As the FCDO (and its predecessor departments) did not coordinate Project Defend, the department does not hold comprehensive information about the objectives delivered by Project Defend in relation to supply chain resilience.
178. In terms of FCO contributions to Project Defend within the scope of Module 5, the China Network provided an update to Project Defend on key suppliers and risks in China, including risks to the supply chain on 10 July 2020. **[PRB3/177]**  
**[INQ000501859]** The FCO Covid-19 Directorate provided analysis to Project Defend on supply chain risks, as reported through its overseas posts. The FCO presented

these papers to the Project Defend Steering Committee on 23 July 2020. [PRB3/178] [INQ000501864] [PRB3/179] [INQ000501865] [PRB3/180] [INQ000501866]

179. Following the conclusion of Project Defend, the FCDO contributed advice on the international dimensions of the *UK Critical Imports and Supply Chains Strategy* [PRB3/181] [INQ000528172] published in January 2024. The FCDO has also supported Cabinet Office-led work to agree G7 commitments on strengthening collective supply chain resilience, as set out most recently in the Leaders' communique from the Apulia Summit in June 2024. [PRB3/182] [INQ000528175] The FCDO is currently supporting DBT-led work to develop the UK's investment and trade strategies, and to establish a new Supply Chains Taskforce in government. [PRB3/183] [INQ000528171]

## **Section 10: Donations of key healthcare equipment and supplies**

180. In this section, I provide an overview of donations of key healthcare equipment and supplies received and made by the UK with the involvement of overseas posts.

### Donations received by the UK

181. The UK received donations from a number of countries and overseas private companies during the pandemic. FCO overseas posts provided assistance with some of these donations, including support with diplomatic engagement. The FCDO does not have a comprehensive list of the donations received by the UK from other countries during the pandemic, as some were made through other channels without the involvement of overseas posts, for example, by overseas companies donating to the NHS, DHSC or medical facilities directly. The FCDO does not have responsibility for the distribution of medical supplies or equipment to UK end users, so cannot confirm whether the donated medical goods reached the intended medical facility or organisation following arrival in the UK.

### Donations from the UK to other countries

182. DHSC was the lead department for donations of PPE. They are therefore best placed to provide information of the volume, destination country, type of product and date of international donations. We have not found evidence of FCDO involvement in the redeployment of ventilators through the Ventilator Taskforce.

183. DHSC chaired a PPE International Donations Working Group from 4 October 2021, which the FCO joined. [PRB3/184] [INQ000501876] On 2 November 2021 DG, Global Health DHSC wrote to her counterpart at the FCDO to confirm roles and responsibilities regarding PPE donations. [PRB3/185] [INQ000501897] She indicated that DHSC owned and oversaw the donation process and was seeking FCDO support with recommendations on where to target donations and assistance, initial introductions to host governments and communications. DHSC regularly shared updates of live donations as the operation continued. [PRB3/186] [INQ000501873] [PRB3/187] [INQ000501874]
184. Prior to the initiation of the DHSC-led International Donations Working Group, the FCDO assisted with one-off donations:
- 184.1 238,530 pieces of PPE to Lebanon in August 2020; [PRB3/188] [INQ000501895]
- 184.2 60 ventilators to Peru in February 2021; [PRB3/189] [INQ000501892]
- 184.3 1,200 ventilators, 495 oxygen concentrators and 3 oxygen generation units to India in April/May 2021, and a further 1000 in May 2021; [PRB3/190] [INQ000501893] and
- 184.4 260 ventilators and 2,000 pieces of personal protective equipment, along with health experts to Nepal in May 2021. [PRB3/191] [INQ000501894]

## **Section 11: Lessons learned and reviews**

185. In this section, I consider what lessons have been learned from the FCDO's involvement in the procurement of healthcare equipment and supplies, including through internal exercises and public reports, and any relevant changes that have since been implemented.

### Internal lessons learned exercises

186. The FCO produced a number of informal lessons learned reports, as detailed below.<sup>3</sup>

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<sup>3</sup> These documents have been provided separately to the Inquiry.

187. As DHSC led, and continues to lead, on the procurement of healthcare equipment and supplies for the UK, neither the FCO nor FCDO has conducted a central lessons learned exercise on this topic.
188. The China Procurement Team compiled a lessons learned report in May 2020. The key findings were that procurement teams should in future:
- 188.1 Improve preparation by increasing staff training on communication, general understanding about government procurement, etc.
  - 188.2 Establish a clear protocol between London and post, scope out the points of contact for each team and function as early as possible, and review and update regularly.
  - 188.3 Identify clear roles and responsibilities between London, post and suppliers by creating a comprehensive organogram supported by approval and agreement in writing.
  - 188.4 Provide guidance on the reporting and communication process to keep consistency, do not use WeChat (a Chinese instant messaging, social media and mobile payment app) as an official communication channel and keep records of exchanges.
  - 188.5 Ensure central approval for funding before implementing, reduce budget burden and potential risks from the post side.
  - 188.6 Have both mid- and long-term strategy ready early, to avoid the sudden increase of demand on the crisis team or time wasted during transition back to 'business as usual'.
189. BE Berlin also conducted its own lessons learned exercise on procurement, and HoM Berlin wrote to DHSC in July 2020 outlining key reflections. These included the need for longer-term supply planning, the introduction of a short-form contract for suppliers, training for frontline staff and greater flexibility in certification requirements.
190. Centrally in the FCO, an informal, internal review of the Coronavirus Taskforce looked in brief at the procurement operation. The review highlighted the agility of the FCO team in adapting to deliver new requirements, and the success of working with posts to meet (and exceed) UK ventilator requirements.



## Public reports

191. FCDO officials were interviewed to inform a November 2020 National Audit Office (“NAO”) report into the supply of PPE during the pandemic (*The supply of personal protective equipment (PPE) during the COVID-19 pandemic*). This was primarily focused on DHSC and did not cover the FCO’s or FCDO’s contribution in detail.
192. The FCO also responded to a request from the NAO regarding FCO contracts impacted by Covid-19, as part of the NAO’s investigation of government procurement during the pandemic. [PRB3/192] [INQ000501868] The response provided details of contracts for Covid-19-related development programmes overseas and Covid-19 support for the Overseas Territories. It did not include contracts relating to procurement of healthcare equipment and supplies for the UK, as these were owned by DHSC.

## Changes implemented

193. Procurement of healthcare equipment and supplies was a novel area of activity for the FCDO. Staff learned and implemented changes rapidly as they delivered during the pandemic, for example through:

**193.1 Linking supply and demand through central coordination:** The Coronavirus Taskforce recognised early the need to ensure that the domestic demand signal for healthcare-related equipment and supplies was communicated clearly to posts and that information on overseas supplies was coordinated in response for DHSC and the NHS. They established ACT, which developed into JACT, and subsequently GSSEP, allowing for greater cross-HMG working.

**193.2 Prioritising efforts to secure supply:** Central coordination efforts moved from a broad engagement approach across all posts under JACT to instructing specific posts in countries where there were realistic prospects of sourcing healthcare equipment under GSSEP. Teams in the UK and overseas faced a large volume of potential leads for healthcare equipment and supplies and quickly realised that these were time-consuming to explore and rarely yielded fruit. JACT/GSSEP and the China Network developed triaging processes and clarified sourcing strategies.

**193.3 Clarifying roles and responsibilities cross-HMG:** The FCO, DIT and DHSC worked together to strengthen mutual clarity on UK needs, procurement processes and buying instructions and guidance. Initially, some contracts were

signed by officials in the China Network in order to secure supplies, in the face of stiff competition from other procurers. Once the FCDO Commercial Directorate had indicated that DHSC should henceforth sign contracts as the purchasing department, DHSC and the FCO worked together to ensure the correct department would be liable for costs arising from any contracts the FCO had previously signed. **[PRB3/099] [INQ000501869]**.

194. Although the FCDO does not have specific ongoing responsibilities in respect of supply chain resilience for key healthcare equipment and supplies, it has continued to support wider DBT efforts on critical imports and UK supply chain resilience, building on the work conducted through Project Defend. **[PRB3/193] [INQ000501904]**

195. The FCDO has continued to refine its overall commercial processes and governance. It has implemented a number of new commercial processes, procedures and systems since 2020:

195.1 On 1 April 2023, the authority to sign FCDO commercial contracts changed, with only FCDO Commercial Directorate staff having authority to sign contracts of value greater than £25k (or specially trained staff for ODA contracts for £25k to £115k). **[PRB3/194] [INQ000501899]** This change means that all contracts (over £25k) signed at post are automatically subject to the FCDO commercial governance, which ensures all processes – such as due diligence – are appropriately carried out.

195.2 All procurements of value greater than £25,000 are now carried out through an online digital procurement system, where key procurement processes are mandated, and contracts and supporting evidence are stored in the system, providing a comprehensive audit trail.

195.3 A new enterprise resource planning IT system providing greater functionality for managing finance and purchase orders has been implemented, which provides more comprehensive real-time information on overseas spend.

195.4 In 2021, the FCDO established a new contract management function, which ensures that contracts deliver the value intended at the outset. Contract management seeks to maximise performance, mitigate risks and identify further opportunities, and to ensure the FCDO meets its legal and regulatory obligations. Within the FCDO all contracts with a value greater than £25,000 must now have a contract manager, whose name is recorded in the online

digital procurement system. Contracts are managed proportionate to their complexity, risk, value and opportunity (contract classification/tiering), with higher tiered contracts designated an appropriately accredited contract manager, and comply with Cabinet Office transparency requirements. The FCDO Commercial Directorate oversees contract management and has made available the Contract Management Excellence Programme, which provides tools, templates and guidance to support contract managers across the FCDO to meet their respective requirements.

195.5 Risk management within the FCDO Commercial Directorate has been refreshed, with comprehensive risk registers maintained at all levels of the directorate. Risk appetites are set proportionate to the nature of the risk and circumstances, with out-of-appetite risks escalated to higher management levels, up to and including the FCDO Management Board.

196. To conclude, I want to recognise the exceptional effort made by FCO staff to support the procurement of healthcare equipment and supplies. Our overseas network rose to the urgent challenge of advancing UK interests in a novel area, often working under very difficult circumstances in order to support frontline delivery in the UK.

#### **STATEMENT OF TRUTH**

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief of its truth.

Signed:

PD

Name:

PHILIP BARTON

Date: 20/12/2024

## Annex: FCDO leadership in 2020



Foreign, Commonwealth  
& Development Office

# FCDO organisation September 2020

### FCDO Ministerial Team



**Nigel Adams MP**  
Minister of State for Asia



**Lord Ahmad of Wimbledon**  
Minister of State for South Asia and the Commonwealth



**Rt Hon James Cleverly MP**  
Minister of State for Middle East and North Africa



**James Duddridge MP**  
Minister for Africa



**Rt Hon Dominic Raab MP**  
Secretary of State for Foreign, Commonwealth & Development Affairs and First Secretary of State



**Rt Hon Lord Goldsmith**  
Minister of State for the Pacific and Environment



**Wendy Morton MP**  
Minister for the European Neighbourhood and Americas



**Baroness Sugg CBE**  
Minister for the Overseas Territories and Sustainable Development



**Dame Helena Morrissey**  
Lead Non-Executive

### FCDO Senior Leadership



**Sir Tim Barrow**  
Director-General  
Central



**Jenny Bates**  
Director-General  
Indo-Pacific



**Juliet Chua**  
Director-General  
Finance and Corporate



**Tom Drew**  
Director-General  
MENA, Afghanistan and Pakistan



**Sir Philip Barton**  
Permanent  
Under-Secretary



**Nic Hailley**  
Director-General  
Transformation



**Kumar Iyer**  
Director-General  
Delivery



**Sir Iain Macleod**  
Director-General  
Legal



**Monizem Malik**  
Director-General  
Africa



**Vijay Ranganathan**  
Director-General  
Americas and Overseas Territories