From: [REDACTED]
Sent: 24 January 2022 08:58
To: [REDACTED]
Cc:
Subject: Note for [REDAC] ahead of GFG/Lochaber meeting today with Mr McKee 14:00-14:30
Attachments: GFG refinancing call 13.1.22.pdf; Briefing - Mr McKee meeting with Mr Gupta - GFG Alliance - 24 Jan 2022 v0.4.docx

[REDACTED]

Ahead of the meeting with Mr McKee this afternoon at 2pm, we've fleshed out the agenda below with some points you may wish to make. Straight after this meeting is Mr McKee's third meeting with Mr Gupta at 2.30pm.

By way of setting the scene, may be worth saying:

- Last regular weekly meeting with Mr McKee was 15/10. Since then COP took place and hasn't been much need to have one due to the wider context [REDACTED] .
- Instead officials are providing weekly written updates. Does the Minister find helpful? Is there anything else he'd like to see/read?
- We also now have monthly sessions scheduled – a good opportunity to provide updates and keep the discussion on GFG going; so worth keeping in the diary and committing to them.
- Officials still regularly meeting GFG (recently: 19/01/22 –[REDACTED] /// 14/01/22 –ABA/HIE /// 12/01/21 – Q4 GMM) and Deloitte continue to have fortnightly refinancing meeting with GFG snr mgmt. Plus regular ad hoc written contact on various matters. Dialogue is good, and [REDACTED]
[REDAC ED]
- Mr McKee is meeting Mr Gupta straight after at 14:30. Opportunity now to discuss that meeting (a focus on getting on an update on the refinancing and on investment plans) and run through the brief.

- **GFG update**
  - Global restructuring and refinancing continues (recent refinancing meeting minute attached).
  - Fort William site continuing to run well operationally. Local mgmt mitigated impact of covid on workforce. Power prices remain high.
  - Project [REDAC ED] – [REDAC ED] completed, [REDAC ED] delivery expected in 6-7 months. Positive momentum for the project. Material issue is [REDAC ED] Latest [REDACTED] expected by end of January.
  - Grid Connection – [REDACTED] . ABA formulating a response. Will continue to monitor, specifically if it will impact expected completion date [REDACTED]
  - Staff – Jeff Kabel continues in his interim role, and [REDACTED] also now involved to provide resilience. ABA board being established to bring estates management into the wider business set-up

[REDACTED]

- [REDACTED]

- [REDACTED]

- **Scottish Enterprise and** [REDACTED]
  - SG sent required material to SE 06/12 and SE responded Fri 21/01. [REDACTED]

- **Contingency planning work (inc. Longstop Date)**
  - Ongoing work ahead of 31/03/22. Looking at pre- and post- [REDACTED] planning.
  - [REDACTED]
  - Plan is to put a formal submission to Mr McKee with options.

- **Mr Gupta meeting (25/01 14:30-15:00)**
  - Virtual meeting is straight after this. 30 minutes at 14:30.
  - Briefing note (attached) submitted 19/01.
  - Purpose of the meeting is to maintain ongoing dialogue and to receive an update on the global refinancing/restructuring process and, importantly, [REDACTED]
  - [REDACTED]

- **AOB**
  - FOIs – overall continues to be much interest in GFG and the SG's guarantee reflected in the number of FOIs A large number of these FOIs are now reaching the OSIC and # of appeals is building

[REDACTED]

  - Advisory contract – current contract ends 28/02. Welcome Mr McKee's support on next one.
  - PQ – mention Richard Leonard's ask re. financial exposure.

Thanks,

[REDACTED]

[REDACTED] **| Senior Policy Officer | Industrial Sectors and Projects**
Manufacturing and Industries Division | Directorate for Economic Development | Scottish Government
[REDACTED]

SCOTTISH GOVERNMENT NOTE OF ONLINE MEETING BETWEEN IVAN MCKEE AND SANJEEV GUPTA – GFG ALLIANCE
24 JANUARY 2022, 14:30-15:00, MICROSOFT TEAMS

Attendees:
Ivan McKee, Minister for Business, Trade, Tourism and Enterprise

[REDACTED], Deputy Director, Manufacturing and Industries Division
[REDACTED], Head, Industrial Sectors and Projects
[REDACTED], Team Leader, Industrial Sectors and Projects
[REDACTED], Business Resilience Lead, Rapid Response Unit, Strategic Commercial Interventions Division

Sanjeev Gupta, Executive Chairman, GFG Alliance
Jeffrey Kabel, Chief Transformation Officer, LIBERTY Steel Group
[REDACTED], Head of Government Relations & External Affairs, GFG Alliance
[REDACTED], Legal, GFG Alliance

Summary of points made in discussion:

Introductory remarks

Mr McKee welcomed Mr Gupta and colleagues to the virtual meeting, noted that the situation at GFG had developed since meeting in October.

Mr McKee welcomed the payment of the Scottish Government Guarantee fee **[REDACTED]** and confirmation of PPA payment to the Bondholders in **[REDACTED]** as scheduled. He also welcomed the very positive article by GFG in the Scotland on Sunday newspaper on 9 January.

In terms of the focus of the meeting, Mr McKee set out that it was important to receive an update on the broad status of GFG's global restructuring/refinancing activity and its consequence for the Scottish businesses in Lochaber and Lanarkshire. The Minister highlighted the **[REDACTED]** relating to the Lochaber guarantee and sought:

i. An update on the current position of GFG Alliance's global finance restructuring,
ii. A review of the local impacts in respect of Scottish businesses,
iii. Consideration of opportunities for a significant land transaction in Lochaber.

Mr Gupta provided a response on each topic.

Global Financial Restructuring
Mr Gupta stated that there had been positive progress with creditors and that he is devoting up to half of his own time to ensure a positive conclusion.

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Mr Gupta referred to the progress in Australia that **[REDACTED]** **[REDACTED]** Mr Gupta indicated that Scottish Government would be alerted when this becomes an official position.

[REDACTED]

[REDACTED]

UK Businesses
In respect of GFG's UK businesses, Mr Gupta stated that a new business plan is in development, part of GFG's overall UK restructuring. **[REDACTED]**

In terms of core businesses (i.e. Rotherham, Dalzell), these offer good prospects in respect of decarbonisation. Mr Gupta stated his view that fundamentally there are good prospects for these businesses; however, high energy prices within the UK are **[REDACTED]**. **[REDACTED]** Mr Gupta noted his hope that energy prices would drop in Q2 or Q3 2022.

Trading Position at Dalzell
Mr Gupta stated that, strategically, there are strong prospects for Dalzell (e.g. in respect to the offshore windfarms market). **[REDACTED]**

In respect of accessing opportunities in renewables, Mr Gupta said he would welcome the chance to discuss this further with Scottish Government. It would be supported by GFG's overall Scottish business plan (**[REDACTED]**) and Mr McKee confirmed that Scottish Government would be happy to engage.

[REDACTED]
Mr McKee sought an update on the **[REDACTED]** Jeff Kabel noted that **[REDACTED]**

Lochaber including Project **[REDACTED]** *Funding*
Mr McKee emphasised the requirements due at the **[REDACTED]** and sought a specific update from Mr Gupta regarding GFG's intentions. Mr Gupta reiterated that GFG is fully committed to the investments at Lochaber and noted that, while good progress has been made on planning, the conclusion of global refinancing is required to make material progress towards development of the downstream project.

Mr McKee re-emphasised the **[REDACTED]**. Mr McKee stated that, **[REDACTED]**

[REDACTED]

In respect of a potential significant land transaction, Mr Gupta agreed that it made sense to have a focussed discussion on the available opportunities but reiterated that the priority currently is on concluding refinancing to support project investment.

Concluding remarks

Mr McKee brought the meeting to a close by thanking Mr Gupta for his time and for providing a comprehensive update.

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Mr Gupta thanked the Minister.

Meeting ended

Actions:

1) **[REDACTED]**
2) SG officials to follow-up with GFG to confirm the timeline for **[REDACTED]**
3) GFG to provide to SG its **[REDACTED]** plan for consideration.
4) SG officials to follow-up to confirm when the **[REDACTED]**plan will be available.
5) GFG to engage with SG in respect of supply chain opportunities for Scotwind as required
6) SG officials to follow-up with SG re further meetings on approach **[REDACTED]**
7) GFG to provide regular updates in respect of its global refinancing.

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CALL WITH SANJEEV GUPTA – GFG ALLIANCE

BRIEFING FOR MINISTER FOR BUSINESS, TRADE, TOURISM AND ENTERPRISE

Date and Time	Tuesday 29 March 2022, 07:00 to 07:30
Where	Microsoft Teams meeting **Join on your computer or mobile app** **[REDACTED]** **Or call in (audio only)** **[REDACTED]** United Kingdom, Edinburgh Phone Conference ID: **[REDACTED]**
Why	As set out in the amended GRA, GFG Alliance is **[REDACTED]** **[REDACTED]** When you met on 24 January, Mr Gupta stated **[REDACTED]** **[REDACTED]**
Purpose	The purpose of the meeting is to: i. **[REDACTED]** ii. **[REDACTED]**; iii. **[REDACTED]** iv. **[REDACTED]**.
Who	**Ivan McKee, Minister for Business, Trade, Tourism and Enterprise** **GFG Alliance** Sanjeev Gupta, Executive Chairman, GFG Alliance Jeffrey (Jeff) Kabel, Chief Transformation Officer, GFG Alliance **[REDACTED]**, GFG Legal, GFG Alliance
Support	**[REDACTED]** **[REDACTED]** Team Leader, Industrial Sectors and Projects **[REDACTED]**, Policy Officer, Industrial Sectors and Projects
Contents	**Annex A:** Speaking points and questions **Annex B:** Summary of **[REDACTED]** **Annex C:** Note of meeting between Mr McKee and Mr Gupta (GFG Alliance), 24 January 2022 **Annex D: [REDACTED]** **Annex E: : [REDACTED]** **Annex F:** letter from Mr McKee to Mr Gupta, 21 March 2022

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ANNEX A

SPEAKING POINTS AND QUESTIONS

Meeting focus

- **[REDACTED]**
- **[REDACTED]**
- **[REDACTED]**

Introductory remarks

- Thank you for seeking to meet again so soon after my letter of 21 March.
- **[REDACTED]**
- **[REDACTED]**
- **[REDACTED]**
- **[REDACTED]**
- **[REDACTED]**

Points to raise

[REDACTED]

- **[REDACTED]**
- **[REDACTED]**
- **[REDACTED]**
- **[REDACTED]**

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ANNEX B

SUMMARY OF [REDACTED]

[REDACTED]

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ANNEX C

SCOTTISH GOVERNMENT NOTE OF ONLINE MEETING BETWEEN IVAN MCKEE AND SANJEEV GUPTA – GFG ALLIANCE
24 JANUARY 2022, 14:30-15:00, MICROSOFT TEAMS

Attendees:
Ivan McKee, Minister for Business, Trade, Tourism and Enterprise

[REDACTED], Deputy Director, Manufacturing and Industries Division
[REDACTED], Head, Industrial Sectors and Projects
[REDACTED], Team Leader, Industrial Sectors and Projects
[REDACTED], Business Resilience Lead, Rapid Response Unit, Strategic Commercial Interventions Division

Sanjeev Gupta, Executive Chairman, GFG Alliance
Jeffrey Kabel, Chief Transformation Officer, LIBERTY Steel Group
[REDACTED] Head of Government Relations & External Affairs, GFG Alliance
[REDACTED], Legal, GFG Alliance

Summary of points made in discussion:

Introductory remarks

Mr McKee welcomed Mr Gupta and colleagues to the virtual meeting, noted that the situation at GFG had developed since meeting in October.

Mr McKee welcomed the payment of the Scottish Government Guarantee fee in **[REDACTED]** and confirmation of PPA payment to the Bondholders in **[REDACTED]** as scheduled. He also welcomed the very positive article by GFG in the Scotland on Sunday newspaper on 9 January.

In terms of the focus of the meeting, Mr McKee set out that it was important to receive an update on the broad status of GFG's global restructuring/refinancing activity and its consequence for the Scottish businesses in Lochaber and Lanarkshire. The Minister highlighted the **[REDACTED]** relating to the Lochaber guarantee and sought:

i. An update on the current position of GFG Alliance's global finance restructuring,
ii. A review of the local impacts in respect of Scottish businesses,
iii. Consideration of opportunities for a significant land transaction in Lochaber.

Mr Gupta provided a response on each topic.

Global Financial Restructuring
Mr Gupta stated that there had been positive progress with creditors and that he is devoting up to half of his own time to ensure a positive conclusion.

Mr Gupta referred to the progress in Australia that **[REDACTED] [REDACTED]** Mr Gupta indicated that Scottish Government would be alerted when this becomes an official position.

[REDACTED]

[REDACTED]

UK Businesses
In respect of GFG's UK businesses, Mr Gupta stated that a new business plan is in development, part of GFG's overall UK restructuring. **[REDACTED]**

In terms of core businesses (i.e. Rotherham, Dalzell), these offer good prospects in respect of decarbonisation. Mr Gupta stated his view that fundamentally there are good prospects for these businesses; however, high energy prices within the UK are **[REDACTED]** Mr Gupta noted his hope that energy prices would drop in Q2 or Q3 2022.

Trading Position at Dalzell
Mr Gupta stated that, strategically, there are strong prospects for Dalzell **[REDACTED]**

In respect of accessing opportunities in renewables, Mr Gupta said he would welcome the chance to discuss this further with Scottish Government. It would be supported by GFG's overall Scottish business plan **[REDACTED]** and Mr McKee confirmed that Scottish Government would be happy to engage.

[REDACTED]
Mr McKee sought an update on the **[REDACTED]**. Jeff Kabel noted that **[REDACTED]**

Lochaber including Project **[REDACTED]** *Funding*
Mr McKee emphasised the requirements due at the Longstop Date and sought a specific update from Mr Gupta regarding GFG's intentions. Mr Gupta reiterated that GFG is fully committed to the investments at Lochaber and noted that, while good progress has been made on planning, the conclusion of global refinancing is required to make material progress towards development of the downstream project.

Mr McKee re-emphasised the need to **[REDACTED]**. Mr McKee stated that, **[REDACTED]**

[REDACTED]

In respect of a potential significant land transaction, Mr Gupta agreed that it made sense to have a focussed discussion on the available opportunities but reiterated that the priority currently is on concluding refinancing to support project investment.

Concluding remarks

Mr McKee brought the meeting to a close by thanking Mr Gupta for his time and for providing a comprehensive update.

Mr Gupta thanked the Minister.

Meeting ended

Actions:

1) **[REDACTED]**
2) SG officials to follow-up with GFG to confirm the timeline for **[REDACTED]**
3) GFG to provide to SG its **[REDACTED]** plan for consideration.

4) SG officials to follow-up to confirm when the **[REDACTED]** plan will be available.
5) GFG to engage with SG in respect of supply chain opportunities **[REDACTED]**
6) SG officials to follow-up with SG re further meetings on approach **[REDACTED]**
7) GFG to provide regular updates in respect of its global refinancing.

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ANNEX D

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Yours sincerely

[REDACTED]

Jeffrey Kabel
Chief Transformation Officer / **GFG Alliance**

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ANNEX E

[REDACTED]

[REDACTED]

Chief Transformation Officer / GFG Alliance

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ANNEX F
RESPONSE LETTER FROM MR MCKEE TO SANJEEV GUPTA, 21 MARCH 2022

21 March 2022

Dear Sanjeev

Lochaber Projects [REDACTED]

[REDACTED]

Yours sincerely
IVAN MCKEE

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SCOTTISH GOVERNMENT NOTE OF ONLINE MEETING BETWEEN IVAN MCKEE AND SANJEEV GUPTA – GFG ALLIANCE
29 MARCH 2022, 07:00-07:30, MICROSOFT TEAMS

Attendees:
Ivan McKee, Minister for Business, Trade, Tourism and Enterprise
[REDACTED], Deputy Director, Manufacturing and Industries Division
[REDACTED], Team Leader, Industrial Sectors and Projects

Sanjeev Gupta, Executive Chairman, GFG Alliance
Jeffrey Kabel, Chief Transformation Officer, LIBERTY Steel Group
[redacted], GFG Alliance

Summary of points made in discussion:

Introductory remarks

Mr McKee welcomed Mr Gupta noting recent correspondence **[REDACTED]**

Mr Gupta outlined the journey that GFG has been on since the unforeseen collapse of Greensill in 2021. GFG has been tackling the consequences for the past year and has made significant progress with **[REDACTED]**

Mr Gupta reiterated his commitment to the Lochaber project noting that it fits GFG's overall strategy. **[REDACTED]**

[REDACTED] [REDACTED]

In respect of the progress of GFG's global refinancing, Mr McKee noted the **[REDACTED]**

Mr Gupta stated that there are **[REDACTED]**

[REDACTED]

Mr Gupta emphasised GFG's desire to continue progress on delivery of the billet plant through further **[REDACTED]**

[REDACTED]

Mr Gupta invited Mr Kabel to outline the current progress with development onsite at Fort William. Mr Kabel noted that local management was about to award its **[REDACTED]** and is moving ahead as planned with that stage of the project. **[REDACTED]**

Mr Kabel noted Liberty Steel's scoping work in respect of **[REDACTED]** at Clydebridge (Project **[REDACTED]**) **[REDACTED]**

Concluding remarks

Mr Gupta concluded the discussion from GFG by seeking a further meeting with Mr McKee on 1 April or 4 April.

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Mr McKee thanked Mr Gupta for his time and agreed to meet again in short order to progress matters.

Meeting ended

Actions:

1) SG to arrange a further meeting between Mr McKee and Mr Gupta for 1 or 4 April.
2) GFG to **[REDACTED]**.
3) SG officials to meet with GFG executives in advance of Mr McKee's next meeting with Mr Gupta.

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