



Rt Hon David Cameron MP
Prime Minister
10 Downing Street
London
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4th November 2010

Dear Prime Minister,

We welcome your support for international development through the very important ring-fencing of the aid budget. As you prepare for the upcoming G20 Leader's Summit in Seoul on 11–12 November, the under-signed civil society organisations urge you to push for measures that will curb illicit financial flows, create a more transparent global financial system and stimulate wealth creation.

The OECD has acknowledged that developing countries are likely to be losing more money through tax dodging every year than they receive in aid. We believe that tax dodging on this scale is only possible because of the lack of transparency in the global system.

Greater transparency and accountability in financial reporting would assist developing countries in mobilising the domestic tax revenues they so desperately need for fighting poverty and achieving the Millennium Development Goals. It is also clearly in our own economic interests and entirely in line with the commitments in the Coalition Agreement, including the government's commitment to fighting corruption.

We ask the UK Government to champion the following within the G20 Communiqué:

- Recognise the links between illicit outflows of capital from developing countries, absorption of those resources by tax havens, and the adverse impact of those outflows on poverty alleviation and economic development;
- Set out a long term goal of multilateral and automatic exchange of tax information between different tax jurisdictions (thereby tackling the secrecy in tax havens);
- As a first step towards the above, call on the Financial Action Task Force to amend its recommendations 33, 34, and VIII to provide that the beneficial ownership of all companies, trusts, foundations and charities be made a matter of public record;
- Recommend that the International Accounting Standards Board adopt a standard that requires multinational corporations in all sectors and geographical regions to report profits, taxes and other financial details on a country-by-country basis building on the recently adopted US Dodd-Frank Financial Reform Act.

We look forward to further engagement with you and your colleagues on these important matters in the coming weeks and months – both in regard to the forthcoming G20 summit in Seoul and the G20 summit in France in 2011, at which we understand President Sarkozy is keen to make financial transparency a centrepiece of his G20 chairmanship.

Yours sincerely

 Loretta Minghella Director Christian Aid	 Oliver Buston European Director One International	 John Christensen Director Tax Justice Network	 Karin Lissakers Director Revenue Watch Institute	 Chris Bain Director CAFOD
 John Hilary Executive Director War on Want	 Gavin Hayman Director of Campaigns Global Witness	 Radhika Sarin International Coordinator Publish What You Pay	 Chandrashekhhar Krishnan Executive Director Transparency International (UK)	 Richard Miller Executive Director ActionAid

cc Rt Hon George Osborne MP, Chancellor of the Exchequer